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REPORT

FROM THE

SELECT COMMITTEE

ON THE

TRADE WITH CHINA;

~~110367~~

TOGETHER WITH THE 110368

MINUTES OF EVIDENCE,

TAKEN BEFORE THEM,

AND

AN APPENDIX, AND INDEX.

Ordered, by The House of Commons, *to be Printed,*
5 *June* 1840.

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Martis, 24° die Martii, 1840.

Ordered, THAT a Select Committee be appointed to inquire into the Grievances complained of in the Petition of Merchants interested in the Trade with China (presented 24 March) by reason of the Surrender of Opium to Her Majesty's Superintendent there, in the Month of March 1839, and to report their Observations thereupon to The House.

Veneris, 3° die Aprilis, 1840.

A Committee was nominated, of—

Mr. Crawford.
Lord Viscount Palmerston.
Sir Robert Peel.
Mr. Charles Buller.
Mr. Herbert.
Sir George Staunton.
Mr. Gladstone.
Mr. Colquhoun.
Sir George Grey.
Mr. Hogg.
Mr. Elliot.
Mr. John Abel Smith.
Mr. John Parker.
Lord Viscount Sandon.
Mr. Strutt.
Sir William Somerville.
Sir Robert Harry Inglis.
Sir Charles Lemon.
Mr. Edward Buller.
Mr. Clay.
Mr. Horsman.

Ordered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Veneris, 1° die Maii, 1840.

Ordered, THAT the Correspondence relating to China, presented to this House, and the several Reports on the Subject of the Trade with China, and the Affairs of the East India Company, in the Years 1830, 1831, and 1832, be referred to the Select Committee on China Trade.

Veneris, 5° die Junii, 1840.

Ordered, THAT the Committee have power to report the Minutes of Evidence taken before them, to The House.

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MINUTES OF EVIDENCE.

Jovis, 30° *die Aprilis*, 1840.

MEMBERS PRESENT.

Mr. Buller.	Mr. Parker.
Mr. Clay.	Lord Sandon.
Mr. W. E. Gladstone.	Mr. John Abel Smith.
Mr. Hogg.	Sir George Staunton.
Sir Robert Inglis.	Mr. Strutt.
Sir Charles Lemon.	

JOHN ABEL SMITH, Esq. IN THE CHAIR.

James William Freshfield, jun. Esq. called in; and Examined.

J.W.Freshfield, jun. Esq.

30 April 1840.

1. *Chairman.*] YOU are the professional Agent of the parties appearing before this Committee, under a petition to the House presented on the 17th March?—I am.

2. Do you wish to put in certain documents in proof of the allegations contained in the petition?—I do; I submit now extracts of reports and other documents in proof of the preliminary allegations in this petition.

(*The Witness delivered in the same. Vide Appendix.*)

Jovis, 7° *die Maii*, 1840.

MEMBERS PRESENT.

Mr. Charles Buller.	Mr. Horsman.
Mr. Edward Buller.	Sir Charles Lemon.
Mr. Clay.	Mr. Parker.
Mr. Colquhoun.	Sir Robert Peel.
Mr. John Elliot.	Lord Sandon.
Mr. Gladstone.	Mr. John Abel Smith.
Sir George Grey.	Sir William Somerville.
Mr. Herbert.	Sir George Staunton.
Mr. Hogg.	Mr. Strutt.

JOHN ABEL SMITH, Esq. IN THE CHAIR.

Robert Inglis, Esq., called in; and Examined.

Robert Inglis, Esq.

7 May 1840.

3. *Chairman.*] YOU were for a number of years resident at Canton?—Since 1823.

4. When did you quit it?—On the 30th of May last.

5. You are a partner in the house of Dent & Co.?—I am.

6. Had you made arrangements for leaving Canton before the beginning of the recent troubles there?—Yes; I was on the point of embarking on the very day that the embargo was put upon the passage boats.

7. Can you name the day?—No, I cannot; but it must have been prior to the issue of the Commissioner's edict on the 18th of March; I had my luggage packed

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packed up for a week ready to go to Macao, but always found difficulties made when I wished to put it on board a boat.

8. By whom?—By the linguists. I went at last to Howqua to ask him if there was any wish to keep me there, for it appeared that that really was the intention, and I asked him if that was the case; he told me he was going to Consoo that day, and he would let me know; that is the Consoo-house, where the merchants meet the officers of government. In about two hours he told me that I could go, but I still found difficulties. I tried to get my luggage on board the boat immediately, but the linguists again made difficulties, and the next morning there came out an order to prevent any foreigner leaving Canton.

9. Was that previous or subsequent to the issuing of the edict by him?—Previous.

10. Your house was largely engaged in the importation of opium into China?—Yes, it has been for many years past.

11. Do you recollect the arrival of Lin, the commissioner appointed by the Emperor of China?—Yes.

12. And you recollect the edicts published by him on his arrival?—Yes; about a week or 10 days subsequent to his arrival at Canton the first edict was published; he arrived at Canton on the 10th of March, and his first edict was published on the 18th.

13. What was your impression of the character of those edicts?—That he intended to get opium out of us decidedly.

14. Was it your impression that he meant to seize it, or to buy it?—I think that he meant at first to pay for it; but I do not think he ever expected to get so much; that was my impression at the time.

15. Have subsequent events altered that impression at all, that he meant to pay for it?—No; except that I think he never contemplated to get 20,000 chests; that I have no doubt made an alteration in his disposition to pay for it.

16. Mr. *Hogg*.] Will you state the grounds of your belief that he intended to pay for it?—His own edict.

17. Have you any grounds for that belief that are not contained in the edict itself?—No; unless I may have general impressions as to the policy of the Chinese government which I can hardly very well explain.

18. *Chairman*.] Was the opinion entertained by the European community at Canton of the character of those edicts unanimous?—No, I should think not; I give this merely as my own opinion.

19. What edicts were issued by Commissioner Lin on his arrival at Canton?—The one I particularly alluded to is the edict of the 18th of March, which ordered us to give up the opium in three days.

20. What notice was taken of that edict by the European community?—They had several meetings on the subject. The Chamber of Commerce met, and there was a good deal of discussion about it; but there was no specific answer given, further than that the Chamber of Commerce told the Hong merchants that they wished for time; that it was a very important matter to give up a large property of that kind, not belonging to us in a great measure, and that we wished to have time to think of it; that three days was too short a notice to comply with a requisition of that kind.

21. Mr. *E. Buller*.] Did the embargo which you have mentioned before the 18th apply only to you and to Mr. Dent's house, or to all the community at Canton?—To all the community.

22. That was before the issuing of the edict?—I am almost certain that it was.

23. *Chairman*.] Will you state the circumstances which occurred subsequently to that claim of Commissioner Lin upon the European community for the surrender of the opium?—The edict was published on Monday the 18th. I think I was the first person that got it on Monday afternoon. I took it over to Mr. Morrison to ask him to translate it about three o'clock. It was an edict ordering us to give up the opium in three days. The whole of Tuesday and Wednesday were spent in discussions with the Hong merchants upon the subject, by the Chamber of Commerce, and by foreigners, amongst themselves. On Thursday night the Hong merchants, having had many discussions in the course of the morning with the Chamber of Commerce, assembled some of the foreigners about 10 o'clock on Thursday night, and told them that they had just come from

from the Commissioner, and that he required a thousand chests of opium to be given up the next morning, or that two of them were to lose their lives. I was not present at that meeting, and never heard of it till the next morning; but it appears that the foreigners were worked upon by compassion for the Hong merchants to subscribe 1,030 chests, of which one of the Hong merchants subscribed ten chests to make up the amount. The next morning some of them, and, among the rest, two of my partners, saw the folly of the thing, and so did everybody else; that it was very unlikely that the Commissioner, who on Monday had said in his edict that he knew there were several tens of thousands of chests in the ships at Lintin, and who had required that the whole of them should be given up, that none should be sent away, and no part withheld, should be now content with 1,000 chests; and they saw now that the thing must have been nonsense, and accordingly none of the Hong merchants lost their lives, or anybody else; and in the course of the day it was understood that the thing had failed altogether; probably it may have been a trick of the merchants themselves, but it answered no purpose whatever. On the Friday night the Hong merchants came to demand Mr. Dent, to go into the city to meet the Commissioner the next morning; Mr. Dent was willing, himself, then to go in, and certainly had the intention of going in on Friday night, but he wished to ascertain the object of his going, and he made difficulties about it to put it off that night, on the pretence that he required a guarantee, but his real intention was to ascertain the intention of taking him there. The merchants, however, came on Saturday morning; they had been obliged to report that Mr. Dent would not go in there, and they came on Saturday to say that he must go in; and they came without their buttons, and with chains round them, saying that they had been degraded, because Mr. Dent had not gone in as the Commissioner required. At this time the whole of the foreign community had assembled in our house to see what was going on, and in the course of these discussions the community was appealed to whether Mr. Dent ought to go or not. They were unanimous that he ought not to go; I myself wished him to go, and he himself had, in the first instance, intended to have gone. However, in the course of the day one of the Hong merchants admitted that Mr. Dent would be detained in the city. He said that he thought no harm would be done to him. We knew before that the Commissioner had hired a cook who had been in the foreign establishment to cook for him, and there was no doubt that he was going to be detained there, and the alarm expressed about him by several of the foreigners, particularly by his own brother, made me at last consider that he ought not to go into the city; for although I would go in myself, I could not advise another to go. His own brother told me, in a state of great excitement, that if I allowed my partner to go into the city, he would lay his death at my door, so much alarm was there about him, and of course I could not under those circumstances advise him to go in, though I would have gone myself. The Hong merchants professed that they dare not go to the Consoo-house, where the kwang-chow-foo, the chief magistrate of the city of Canton, was waiting for their answer, and they asked if some of us would go and report Mr. Dent's answer, that he would not go in. His reason for refusing to go was, that he wished for security. He said he would go in if the Commissioner would give him security under his hand for his safety, that he should come out again, which I felt sure he could not get. The Hong merchants professed that they dared not go in to tell him this, and asked if any of us would go. Upon which a number of us volunteered to go to the Consoo-house to tell this to the kwang-chow-foo. We went there, and there seemed to be a great difficulty about the thing; and he said that Mr. Dent must go. After talking a great deal about it, he asked if we thought that if two of the mandarins present went to Mr. Dent's house, he would go in. We said that we did not think he would, inasmuch as it was the whole foreign community that prevented his going; and it was no disrespect on Mr. Dent's part towards the authorities. Upon this two of the mandarins present, one of whom was a district officer, the kwangheep, and the other was the weiyune, an officer taken from his regular duty to act upon this special service; these two mandarins put on their boots and their official caps, and went immediately to Mr. Dent's house, and there asked him why he would not go in. The whole foreign community nearly were present at the time, and he stated through an interpreter that he would go if he had sufficient protection from the Commissioner. They said that was quite impossible, but that they themselves would answer for his safety. However, it was

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shown them that such a thing had occurred once before in the history of foreigners in China; that the chief of the British factory in China had gone into the city with the same kind of guarantee from a number of the officers, and that he was detained in prison for several years eventually. The whole foreign community retired into another room to reconsider this matter, and it was then stated to them what Mowqua had told us, that Mr. Dent would certainly be detained in the city. Coupling that with other things, it was determined that he ought not to go into the city, more especially as it appeared that the Commissioner had picked him out as the representative of the rest of the community, evidently to get his opium out of him, and to make him take the first step to induce all the other foreigners to give it up; and therefore, as he was considered to be acting in the common cause, the whole of the foreigners protested against his going. After some conversation, the whole of the foreigners returned down stairs again, and this was explained to the mandarins. They then stated that they were afraid to go and tell this to the kwang-chow-foo, and at length they asked if some of the foreigners would go for them; several of us volunteered to go, and returned back with them to the Consoo-house. When we got there, the kwang-chow-foo seemed to be in the same difficulty as the other officers had been. He said he dare not go into the city without Mr. Dent to report this; and, after a good deal of conversation upon the subject, he asked Mr. Thom, the interpreter, if he would go in, or if I would go in. The moment it was put to me, I said I would go. Several other gentlemen present volunteered to go. I begged them not; I thought it was unnecessary; not that I had the slightest fear about returning, but I thought there was no occasion for more of us going than necessary. At length I went with three gentlemen who spoke Chinese, and we were taken into the city, and detained there, I think, a couple of hours. Both Mr. Thom and myself were taken separately before the four great officers of government next to the governor and the deputy governor. They asked me who I was, and I mentioned that I was Mr. Dent's partner. They wanted to know how it was that I could come there when Mr. Dent could not. I told them that Mr. Dent was detained by the whole foreign community; that the Commissioner had selected him, apparently, as the representative of the community, and the community would not allow him to go as their representative, but that I came in my private capacity; that Mr. Dent did not fear to come as far as he alone was concerned, but that it was the foreign community who would not allow him. He then said that the Commissioner wanted him alone, and did not want him as the representative of the foreign community, and he then repeated again that Mr. Dent must come. I then told him that Mr. Dent could not go; that he could not give up his opium in that way; that the opium did not belong to him or to the foreign community in general; that the greater part of it belonged to other people, some in India and some in England, and that we could not by our own laws give up other people's property in that way, without some equivalent for it. I told him that I was coming to England myself, and that I should be liable to my own laws if I gave up the property in that way. To which the criminal judge, who was the spokesman, answered, "We know nothing about your laws; the Commissioner is a very great man sent down with a special authority from the Emperor here; he has ordered Mr. Dent to come before him, and Mr. Dent must come;" and went on repeating the same over and over again for about a quarter of a hour, repeating that I must go and show Mr. Dent that he must come. I answered that I would show him, but that I could not promise for his coming; and it ended at last in his repeating the same thing to me again, and I believe Mr. Thom's examination was something to the same effect. After this we were taken again before the same officers we had met with at the Consoo-house, and there Mr. Thom remained for, I suppose, an hour talking with them, and explaining the difficulties, more especially to the Commissioner's own officers, and stated that we must have more time to think about it before we could give up a large amount of property like that. The conversation went on, I think, for an hour to that effect, and the officer of the Commissioner seemed to take a great interest in it, and to listen attentively to everything that Mr. Thom said; but always repeating that Mr. Dent must go in the next morning. After this we were dismissed, and went home. When we came home the Hong merchants were all there again, this was at nine or ten o'clock, insisting that Mr. Dent must go in the next morning. We then recollected for the first time (one

of

of the missionaries reminded me) that the next day was Sunday, which not one of us had ever thought of in the confusion of the day. The moment that was suggested, we stated it to the Hong merchants. They were as pleased as we were with the prospect of getting a day's grace, and proposed immediately that we should write and state that. That was done, and in a quarter of an hour we had an answer that Mr. Dent was to go in at 10 o'clock on the Monday. On Sunday afternoon, about six o'clock, Captain Elliot arrived at Canton, and relieved us from all further responsibility.

24. Mr. *Hogg.*] You said that three gentlemen that spoke Chinese accompanied you when you went before the officers?—Yes; first Mr. Thom was taken; he interpreted for himself; then they took me with a Chinese interpreter, and then they took the other two together. I should state, that on the Wednesday prior to this, Mr. Astell, one of the East India Company's agents there, had written down to Macao, just before our communication was cut off. He had hired a Chinese boat, to take information of what was going on, to Macao, and he wrote to Captain Elliot, and that was the only knowledge that Captain Elliot had of the circumstance at all, from a private letter by Mr. Astell. On the Saturday afternoon, while the discussion about Mr. Dent was going on, Mr. Astell got an answer from Macao, I think not from Captain Elliot himself, but he heard of Captain Elliot's proclamation, which he had issued there. Previous to this, one of the houses in Canton, Messrs. Bell & Co., had put their opium into Mr. Johnston's hands, the second superintendent, saying that they looked to him, as Her Majesty's representative, for the security of the property. I remember telling him also that Dent & Co. would do the same, if Mr. Dent was taken into the city. I told Mr. Dent himself when we were talking of his going in, "If you like to go in, I have no doubt they will keep you there; we shall hear nothing of you for a few days, and of course be uneasy about you; but we will not give up one chest of opium to your order, unless we have reason to believe that they are ill-treating you; if they should be torturing you, or anything of that kind, we shall have no hesitation about it; but the moment you go in we will put the whole of our opium into Mr. Johnston's hands, and leave it to him to do as he likes about it."

25. *Chairman.*] Did Mr. Johnston accept the charge of the opium given up to him by Bell & Co.?—Yes, he accepted it immediately, without any guarantee or anything.

26. Mr. *Gladstone.*] When was this?—He accepted it on Saturday the 23d; Mr. Johnston told me that he had accepted it. An hour or two afterwards I heard of what Captain Elliot had done at Macao; and, in speaking with him again upon the subject, he said, "Now I know what Captain Elliot has done, I have no doubt of my course." He did not say what that course was. I mention this, because the inference of course was, that Captain Elliot had considered the opium question before, and what was to be done under any circumstances of that kind, and that Mr. Johnston knew his opinion upon the subject.

27. *Chairman.*] Did you consider that observation as implying his willingness to take charge of your opium?—Decidedly, but not to engage for any indemnity.

28. Sir *William Somerville.*] Did you sign any paper, putting your opium into the hands of Mr. Johnston?—I did not, but other parties did; I never put our opium into his hands, because Mr. Dent did not go into the city.

29. *Chairman.*] When did Captain Elliot arrive at Canton?—At six o'clock on Sunday afternoon.

30. Sir *William Somerville.*] You said that the impression upon your mind was, that Commissioner Lin intended to pay for this opium which he was about to seize?—When I first got his edict of the 18th I took it to Mr. Morrison, and he read it over to me then, and I made him repeat one or two expressions in it. It was to me the most remarkable edict which I had ever seen of the Chinese; I particularly made him read over that passage about the Commissioner promising that if we complied with his request he would report our conduct to the Emperor to reward us.

31. It was from an expression in the edict that you were led to calculate upon being paid for the opium, not from any general impression?—Not at that moment; I went home and reported this to my partners. We took the thing into consideration, and I told them I felt sure, from the wording of the edict, that

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that the Commissioner was determined to have opium out of us, but that I thought he was going to pay us for it in some shape or way. Afterwards, when I was in the city, I was talking with Howqua about it, and his object in the conversation appeared to be to ascertain what the value of the opium was, and this, coupled with other circumstances that had occurred, left an impression upon my mind that he was ascertaining it himself, with a view to see what we would take as compensation. Moreover, while they were asking Mr. Dent to go into the city, Mowqua, who is the second Hong merchant, a most respectable man, asked my partner, Mr. Braine, in whose department the opium was, if we would be content with 400 dollars a chest for the opium; consequently I thought that the Hong merchants at that moment fully believed that they would have to pay for the opium; I had no doubt that their object in taking Mr. Dent into the city was to get his opium from him, and my impression was that they believed that they would have to pay for the opium. Whether they had any reason for believing that, more than the general policy of the government, I cannot say.

32. Mr. *Gladstone.*] Is not a guarantee given by the Hong merchants for the foreigners who reside at Canton, to the effect of rendering them liable to be called upon in case of the foreigners being summoned by the Chinese government on account of any such traffic as the opium traffic?—I believe they are security to their own government for the good behaviour of the foreigners.

33. Would you not say that they were security for the foreigners to this extent, that the foreigners should not be engaged in any contraband traffic?—Yes, certainly; they have always been made security for that.

34. Mr. *Edward Buller.*] What was the nature of the security demanded from the kwang-chow-foo for Mr. Dent; was it a security with regard to his personal safety, or a security for his return?—A security for his immediate return.

35. You were under no apprehension with regard to Mr. Dent's life, if he had gone without that security?—I was not, but many were; his own brother came to me in a state of great excitement, and he said that he knew that I wished his brother to go in; and he said, that if his brother went into the city he was sure he would be put to death, and that he would lay his death at my door.

36. Mr. *Hogg.*] What was your object in asking Mr. Johnston to take charge of your opium, in the event of Mr. Dent going into the city?—I do not know that I put that question to him, whether he would take it or not; but having heard that he had already accepted opium from other parties, I told him that Dent & Co. would do the same thing if Mr. Dent was taken into the city.

37. You were understood to say that he acceded to that?—Not with reference to Dent & Co.; he did for other parties, and gave them a written authority for it.

38. What was your object in making that suggestion to him?—Mr. Johnston had never had any responsibility of the kind upon him; and I said to him at the time, "I suppose you must take it, but do not engage yourself any further than is necessary." I thought he put it to me, as much as to say, What do you think about this? and I said, "You must take it, I presume, but do not go into any engagement further than is necessary." I felt sure that Captain Elliot would be up, and my object was merely, as I would speak to a young man in a friendly manner, to counsel him not to go into any further engagement than was absolutely his duty to do; and it was then that I said to him, "You will have a great deal more put into your hands, for Dent & Co. will put theirs also into your hands, if Mr. Dent goes into the city."

39. What is the reason that would have influenced Dent & Co. in doing that?—For security. I told Mr. Dent, "If you go into the city, we will put this opium directly out of our own power, and we will not give the opium up, even to your written order." Because I believed they were going almost to force it from him, and they might have got an order under such circumstances, that I would not have complied with it. But I should have left it to Her Majesty's representative to do as he pleased about it, and put the responsibility off the shoulders of Dent & Co. on to those of Her Majesty's Superintendent.

40. Mr. *Gladstone.*] When you speak of giving the opium into the care of Mr. Johnston, you mean into his *bonâ fide* possession?—We were accustomed to transfer

transfer the opium to other parties by written orders. We should have transferred it to him, leaving him to give it to the Chinese if he chose.

41. Sir *George Grey*.] You would have parted with all legal right over that opium?—Entirely.

42. Mr. *Hogg*.] Your object would have been to put the opium beyond your own control, and to throw the whole responsibility of it upon Mr. Johnston?—Yes, exactly so.

43. Mr. *Gladstone*.] You were understood to say that Mr. Dent in the first instance was willing himself to have gone into the city?—Yes, on the Friday when he was first applied to; we had consultations about it amongst the partners, and we all thought that he should go in.

44. He afterwards became unwilling to go?—He afterwards became unwilling. I think on any part of the Saturday he would have gone, had he got the Commissioner's guarantee.

45. When you say that he was willing in the first instance, do you mean that he was willing to go in without a guarantee?—I do not think the guarantee came into question till the Saturday or the Friday night. The object was rather to defer the thing, in order to ascertain what the object of the Commissioner was.

46. Did any circumstances in the course of the Saturday throw additional light upon the object of the Commissioner?—Yes, one of the Hong merchants avowed that Mr. Dent was to be detained there, and then when the whole foreign community opposed his going, he was scarcely master of his own acts.

47. Did the avowal of that Hong merchant produce any effect upon your own mind; that is, if you had been in Mr. Dent's circumstances, would you have gone in if you had been the person demanded, after you had heard that avowal from the Hong merchant?—I would have gone at any time up to the Monday night; in fact the whole of Monday morning I sat at home fully expecting to be asked to go.

48. To what extent did your apprehension go with respect to Mr. Dent; did you suppose that he would be detained for a short time, or for an indefinite time?—I thought he would be detained till they got the opium from him.

49. Did you apprehend that he would be subject to ill-treatment?—No; perhaps I had better mention that Mr. Dent was probably the most popular man amongst all the foreigners with the Chinese. It was not from any enmity to him that he was selected; quite the contrary. My own belief is that they fixed upon him because they knew him to be a very kind-hearted man, and that they were going to get the opium from him by tormenting the Hong merchants. He was a great friend of the Hong merchants, and I think they were going to annoy the Hong merchants, probably to make them kneel before him in chains, and to put a wooden collar about their necks, and to work upon his feelings by that means.

50. You think their exclusive object in sending for him was to obtain possession of the opium, by means of confining him, and that they selected him because they thought he was the individual through whom they could most easily attain that object?—That is my own opinion about it; but this is also to be said, that he was one of the oldest residents in China, though not the oldest then concerned in the opium trade, and he was at the head of his firm at the time; whereas there was only one other firm of equal standing in the opium trade, the nominal head of which had left China just before; so that that may have been the reason for taking Mr. Dent.

51. Was the guarantee of the chief magistrate of Canton a guarantee for his release within any given time?—No, he did not give his guarantee; the other two officers gave him a guarantee, but the kwang-chow-foo, I think, did not give his guarantee. He said he could not tell what Commissioner Lin might intend to do; but he said that his own opinion was, that Mr. Dent would return immediately. This opinion, however, was quite contrary to that of the Hong merchants, who were by far the best authority.

52. Did the other two officers give their guarantee?—Yes, they were ready to promise anything in the world.

53. You did not place reliance upon their guarantee?—Not the slightest.

54. You said that many of the foreign community were aware that the chief magistrate would not give his guarantee for the immediate return of Mr. Dent?—No,

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—No, they wanted the guarantee of Commissioner Lin, a paper signed with his stamp. I never believed he would give it for a moment; but I do not think that was the general opinion.

55. When you used the expression, "the whole foreign community," were ten merchants of other nations included in that?—Yes, I think everybody was in our house in the course of that day. They went and came, so that I could not say who was there at any moment. Mr. Johnston was in our house the greatest part of the day; but he was in a room by himself, and he was not present when the question about Mr. Dent's going in was discussed.

56. Did Mr. King, the American merchant, take any part in that discussion?—I do not think he took any part, but I dare say he was there.

57. Can you describe the degree of duress which was suffered by the foreign community previously to the arrival of Captain Elliot?—There was no duress further than preventing our leaving Canton.

58. Was there any stoppage of the supply of provisions?—No; nor had our servants left us even; we were not troubled in any way previous to Captain Elliot's arrival, further than that we were not allowed to leave Canton; and I think our communications were cut off by writing, but I am not certain about that.

59. Then the opium which was made over to Mr. Johnston by certain parties was made over to him before there was any actual duress?—Yes, further than the detention in Canton.

60. Had you any reason to suppose, that if you had been the individual demanded by the Chinese, instead of Mr. Dent, they would have treated you better than they would have treated him?—No; I think rather worse, probably; the treatment would have been such as I should have disliked excessively, because I should have been put in a temple, and exposed to the whole of the mob, where you are surrounded by all the servants and the people of the establishment.

61. You, yourself, with Mr. Thom, placed yourselves completely in the power of the Chinese?—Entirely; but both Mr. Thom and myself came away from the temple that night, with a full belief that Mr. Dent ought to go into the city.

62. You were received kindly?—Quite so.

63. How do you account for the circumstance that so much apprehension was entertained by the foreign community on account of Mr. Dent, and yet you yourself and Mr. Thom were allowed to place yourselves in the power of the Chinese?—I never asked the foreign community about myself; I did it as an act of my own, and for which Captain Elliot blamed me very much, and convinced me that I should have been wrong in going into the city.

64. When you went yourself, in conjunction with Mr. Thom, do you think the foreign community generally were aware of it?—Yes, many of them begged me not to go; an old resident in China reasons upon a great number of things that a man who has come later would not think of; they are those kind of reasons which are founded upon the impressions derived during a long residence; I was convinced that they wanted Mr. Dent, and nobody else; and, therefore, I was sure that they would let me out again, in order to induce Mr. Dent to go in; I felt quite certain about it, but this might not have operated with me on the Monday; if I had gone in on the Monday, I should have no longer had that feeling of safety; but on the Saturday I had no more doubt about coming back safely, than I have about going out of this room safely.

65. Then the feeling of the foreigners, with respect to your going into the city, was very much the same as about Mr. Dent's?—Yes; the general feeling was decidedly against it.

66. You have expressed a very strong opinion that Mr. Dent was the only person whom the Chinese wished to get, and that therefore they would not be anxious to detain you; can you state the reasons of that opinion? Why might not the Chinese have sought to attain the same object through your personal detention, as they appear to have sought through Mr. Dent's personal detention?—Because they might have kept the Hong merchants kneeling in chains for a month before I would have given up the opium. I confess I was not so tender-hearted as Mr. Dent.

67. Would you have gone there resolved to undergo all extremities?—I did not expect any great extremities. As regards the firm of Dent & Company, after getting the viceroy's edict, and talking over the matter, we agreed amongst ourselves,

ourselves, that if the community would all act together upon any feasible plan, of course we would go, in the first instance, with the community; but if they would not, and if each had to fight their own battle, that Mr. Dent should go into the city and make the best bargain for Dent and Company, the belief of us all being that the Commissioner did intend to pay for this opium; and up to Monday night I should have gone with the belief, though I knew I could not have done it so well as Mr. Dent, still that it might lead to that.

68. Is it your impression that the Chinese would have held Mr. Dent responsible for any opium beyond his own personal control?—No; from what I had seen subsequently I have no doubt that part of the object was to make him sign penal bonds. I have no doubt that that was part of the intention.

69. You think the idea of penal bonds existed at that time?—I have no doubt of it. I did not think of it at that time; but I have no doubt that that was part of the intention. I think that if he had done what they wished, they would have dismissed Mr. Dent with very great credit for his complying with the imperial mandate, and allowed him to load all the ships he had got through his consignment in Canton, as an inducement for others to do the same thing.

70. In the event of Mr. Dent having gone into the city of Canton, and refused to make an order for the surrender of the opium, what do you then think would have been the result, protracted imprisonment, or anything else?—I do not think the result would have depended upon him, because the moment Captain Elliot came up, the thing would have come upon Captain Elliot, because he must have demanded to get Mr. Dent out of the city. I was prepared to go into the city myself up to Monday night. I sat the whole of Monday morning within hearing of Consoo-house, fully expecting they would come for me every moment. I thought that having already gone voluntarily once, I could not refuse to go again.

71. Supposing that Captain Elliot, using all the means in his power to get Mr. Dent out of the hands of the Chinese authorities, had been unable to do so, in addition to the previous supposition that Mr. Dent had placed himself in their hands and refused to surrender the opium, what do you think would have been the result?—They would have kept him in confinement.

72. Do you think nothing more?—I think nothing more.

73. Mr. *E. Buller.*] You mentioned that Messrs. Bell had given up their opium, are you aware of any others that gave up their opium?—I heard just before I came into this room of Captain Thacker having done so; I think Mr. Daniell told me that he told Mr. Johnston that he was going to do the same.

74. Mr. *Hogg.*] Was Mr. Dent selected as having control over a greater quantity of opium than any other individual?—The Chinese said that they knew that he had got 5,000 chests.

75. Had Mr. Dent and your firm control over a greater quantity of opium than any other firm?—Not at all; he gave up only 1,700 chests, whereas others gave up 7,000. The Commissioner chose to assert that he had got 5,000 chests, but he never had.

76. Do you suppose that the Commissioner in selecting him was influenced by the belief that he had control over a greater quantity of opium than any other merchant?—No; the Commissioner had too good information for that.

77. Mr. *E. Buller.*] Do you know of any other merchants who intended to deliver their opium to Mr. Johnston?—No, I do not, except Mr. Daniell, which I have only learnt to-day.

78. Had you any conversation with other merchants interested in the opium trade with reference to the surrender of opium to Captain Elliot or Mr. Johnston before the arrival of Captain Elliot?—No.

79. Then you were aware of no intention existing on the part of the merchants to abandon their opium to the care of Mr. Johnston or of Captain Elliot?—Not at all; I mentioned what I had myself said to Mr. Dent about it, but I never heard of anybody else talking of such a thing till Mr. Johnston had already accepted some of it.

80. After he had accepted it, and before the arrival of Captain Elliot, were there any others who had expressed an intention of giving up their opium to the care of Mr. Johnston?—No, I do not recollect that ever being discussed at all.

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I think many like Dent & Company may have been looking to that when an absolute necessity came.

81. Why should one firm have surrendered their opium when no others did so, or had any intention of doing it, except that the firm of Dent & Company intended to take the same course which had been taken by Bell & Company in case Mr. Dent went into the city?—This property did not belong to ourselves; it belonged to others; and it would naturally occur to anybody to wish to throw off the responsibility of giving up opium belonging to others from their own shoulders on to the shoulders of Her Majesty's Superintendent.

82. Then, although you are not aware of any intention having existed on the part of other merchants, still you are inclined to think that it is the course they would have adopted?—I think it is very likely that the whole of the merchants would have done that; I have scarcely a doubt that the Parsees would have done it; it is the course that, I think, they would certainly have adopted.

83. Sir *George Grey*.] That was intended as merely a temporary step for their own security?—I can only speak for the intention of Dent & Co., which was to throw off the responsibility from their own shoulders on to those of Her Majesty's Superintendent.

84. Not permanently to part with the right of property, but merely to transfer it to the hands of the Superintendent, for the purposes of temporary security?—Yes; but Dent & Co.'s idea was this. His own partners told him, "If you choose to go into the city we will not give up the opium, even to your written orders, but we shall give it into the Superintendent's hands; and we will not interfere with him to get him to give it up, unless we know that they are torturing you."

85. Did Mr. Johnston give any acknowledgment for the opium he received?—I found just now that Captain Thacker had got a written acknowledgment for it.

86. *Chairman*.] You alluded to the character of a Chinese mob; can you state anything as to the treatment that would be received from them?—They are very insolent; and it is very unpleasant to be exposed to such a thing.

87. Mr. *E. Buller*.] You could not yourself understand their language?—No; but you understand their gestures. When I went into the city we were very civilly treated; we had tea and cakes given to us; but while they were preparing the hall in the temple for the reception of the great mandarins, they turned us out into the passage, and there we were surrounded by all the porters and servants of the establishment.

88. Sir *C. Lemon*.] Is there any excitement, on the part of the crowd themselves, against foreigners?—When I went into the city we were taken a long way through the city, evidently to avoid a large crowd collected in front of the temple; when the crowd heard we were going along there, they made a rush, with the most dreadful yelling, to get at us, and they came close to us; but there was luckily a gate in one of the narrow streets, and the persons attending us shut that gate.

89. Was it with a hostile feeling that the crowd made a rush towards you?—I cannot say as to that. It had been reported beforehand that the kwang-chow-foo had gone expressly to bring one or two foreigners, and they presumed that they would be brought as prisoners; and I think they would have delighted in it.

90. Sir *R. Peel*.] Did the mob take part with the constituted authorities?—I really hardly know; it was believed at first that they took part with Commissioner Lin.

91. There was a national feeling which led them to support the constituted authorities?—Yes, I think it would be a great satisfaction to any Chinese mob to see a foreigner humbled in any way.

92. Sir *W. Somerville*.] Had you a guard of soldiers?—I think not in going, but in coming back again the kwang-chow-foo came to the steps of the temple, and called out aloud, that if any persons attempted to injure the foreigners in any way, they were to be seized and punished, and we went back with an immense guard with us; the streets were lined with soldiers the whole way.

93. At the time the gate was closed to keep off the mob there were no soldiers with you?—I do not recollect that there were any soldiers at that time.

94. Sir *R. Peel*.] The mob must have been aware that the main object of the Commissioner

Commissioner was to seize the opium, and consequently to prevent the supply of opium?—I think they knew nothing more than that the kwang-chow-foo had been sent by the Commissioner to bring a foreigner into the city.

95. Why should they use offensive gestures towards the foreigner, unless they took part with the constituted authorities?—That was when I was in the temple; it was the common porters, and servants of that kind; it was not anything unusual.

96. You were understood to say, that there being a conflict between the foreigners and the government, the mob took part with the government?—No, it was nothing more than may occur at any time, and which would occur probably in this country if a foreigner, under any circumstances of discredit, was to get amongst a mob here. There was nothing unusual in that, they were merely servants belonging to that temple.

97. *Chairman.*] You mean that, generally speaking, that class of people are indisposed against foreigners?—At that moment the excitement was very much like what I remember to have existed in this country, at the time of the Queen's trial, against an Italian witness whom I remember to have seen in London.

98. Sir *George Grey.*] Was the excitement upon this occasion the result merely of their antipathy to a foreigner, or did it arise from the particular circumstances under which the foreigner had been brought into the city, as connected with the opium trade?—The excitement of the mob was mere curiosity; they expected, I have no doubt, to see a foreigner brought in chains into the city, and they went to see it as a mob here would go to see a prisoner carried through the streets.

99. You mean without reference to the offence, or supposed offence, which had induced the authorities to put the foreigner in chains?—Yes.

100. Sir *C. Lemon.*] It was the very reverse of sympathy with you?—Yes, I conceive it to be exactly what there might have been in this city if a mob knew that any number of people were to be carried in chains through the city. There was an immense yelling and a noise, and there was a rush of the mob. It was a horrible noise, and it was alarming for the moment, because they came very close to us, and there was a difficulty to get the gate shut.

101. Sir *R. Peel.*] Supposing that gate not to have been there, should you have apprehended danger from an actual contact with the people?—I apprehended danger from the immense mob shoving one another on in a little street six feet wide.

102. Not from the mob wilfully intending to do you any injury, but merely from the pressure?—Yes.

103. Then you think the mob was entirely indifferent to the cause of the dispute?—Entirely.

104. Sir *W. Somerville.*] Commissioner Lin had been about 10 days in the city?—Yes, he arrived on the 10th, and I went in on the 23d.

105. Do not you think it was known all over the city that he was come for the supposed purpose of putting down the opium trade?—Certainly.

106. That was known to all the mob that were surrounding you at that time?—Yes, they had every reason to believe that kwang-chow-foo had gone to bring somebody into the city.

107. Lord *Sandon.*] But you do not think the excitement of the mob had any connexion with the opium question whatever?—None whatever.

108. Mr. *Hogg.*] Had the edicts requiring the foreigners to deliver up the opium within three days been published generally among the Chinese, or had they been addressed only to the foreigners?—I think not at that time; they were posted up afterwards.

109. Then you do not believe that, at the time you are speaking of, the contents of the edicts calling upon the foreigners peremptorily to deliver up the opium within three days were generally known?—I think it is very likely that the substance of them was known.

110. *Chairman.*] How long were you in the city altogether?—About two hours.

111. Lord *Sandon.*] Had not a man been executed for dealing in opium before that time?—Yes.

112. That must have made the question at issue between the government and the foreigners pretty notorious to all the people in the place?—Yes, certainly; they all knew the object of the Commissioner's coming.

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113. Mr. *Horsman.*] Did not some collision between the mob and the foreign community take place upon the occasion of that execution?—Yes.

114. And the foreign community were protected, were they not, by the interference of the authorities?—Yes, they were; it was understood that the popular feeling was very much in favour of the Commissioner during all the first part of his proceedings.

115. Upon the occasion of that collision which took place between the foreign community and the mob, did that arise from the mob having a strong feeling in favour of the execution of the individual who was condemned for smuggling?—I believe not at all; I was not present at that time, but from the accounts I heard of it, and from the printed accounts, is seems that the mob rather took part with the foreigners than otherwise, at first; in fact, they applauded the foreigners.

116. Did not that execution take place opposite the British factory?—The execution did not take place there, because the foreigners prevented it.

117. Was it not to take place there, as a warning, especially to people engaged in the opium trade?—Yes.

118. Upon that occasion the British community endeavoured to prevent the execution, and the mob came into collision with them, and endeavoured to carry the execution into effect?—The mob were entirely with them as to preventing the execution, but after that was done, one of the foreigners struck one of the Chinamen, and then it led to a general fight, and then, of course, they became exceedingly vindictive against the foreigners.

119. Sir *W. Somerville.*] You said just now that the conduct of the mob was such as a mob in this country would be inclined to adopt against any stranger brought into the city under circumstances of discredit; was the general impression upon the part of the Chinese mob, that the dealing in opium reflected any sort of discredit upon an individual engaged in it?—I think, so far as regards that mob that came to see me, it was more from a feeling of curiosity to see a foreigner, and a little feeling of exultation at seeing a foreigner humbled in that way.

120. In no way connected with the opium?—I do not see why it should be; I conceive there would have been the same mob if I had gone in for any other purpose.

121. Mr. *Colquhoun.*] There have been visits of British merchants to the city before?—Yes.

122. Upon those visits have they been met by similar mobs?—Captain Elliot was knocked down by one, although he went in full uniform.

123. So that in ordinary times a British merchant entering the streets of Canton would be met by a large mob, and would be exposed to crowding, and perhaps to insulting gestures?—Certainly; in going out of our usual limits.

124. Mr. *Herbert.*] Were not the British residents permitted three days in the week to have access to the city, and to walk about beyond the boundary of the factory?—No.

125. Lord *Sandon.*] On what day was the last execution?—I do not recollect; there was only one real execution; upon the first occasion the foreigners prevented it; but upon the second occasion the man was actually executed.

126. What was the date of that?—That I do not recollect, but that must have been not long before the Commissioner's proceedings.

127. Did you consider that it was intended as a warning against the opium trade?—Yes.

128. You did not consider it as a wanton insult, but as having that purpose in view?—I believe that it was preparatory to something else; and judging from what has occurred subsequently, I believe that that was one of several measures that were intended to intimidate us, and to get us to submit readily to Commissioner Lin's demands.

129. Sir *W. Somerville.*] Did the last execution take place some time before Commissioner Lin's arrival?—I cannot say how long; I am not even sure that it was before his arrival; I am certain it was before his edicts.

130. Mr. *Horsman.*] You said that some opium was given up to Mr. Johnston before Captain Elliot's arrival, and you said you gave him some advice about it?—He mentioned to me that he had had some opium given up to him; and having always been a personal friend of his, I conceived that he put it in that way,

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as much as to say, " What do you think about it;" and I said, " I suppose you must take that opium, but do not commit yourself further than is necessary." I felt myself sure that Captain Elliot would come up, as many others did, I believe; and all that I meant to say was, you had better it to leave him, believing that Mr. Johnston had never been left in a situation of responsibility before.

131. And you told him you should probably put your own opium under his charge?—I said, " I dare say you will have a good deal more put under your charge, and Dent & Co. will put theirs, if Mr. Dent goes into the city."

132. You said that you gave him advice, because Mr. Johnston was young and inexperienced?—I supposed that he had never been placed in a situation of responsibility before.

133. Had he been accustomed to take an active part as a member of the Commission?—Not at all, I think.

134. Everything had been done by Captain Elliot?—Yes.

135. In Captain Elliot's absence you had no person whom you could trust as a representative of the Government?—No; I merely mentioned that as the reason why I came to be talking with Mr. Johnston about it; but subsequently to that Mr. Johnston heard of what Captain Elliot had done at Macao; and he then said to me that he had no kind of difficulty about his course of acting; he had had no communication himself from Captain Elliot, but had merely heard what Captain Elliot had done there; and his remark was, that he had no kind of difficulty about his course of acting; he did not say what that course of acting was to be.

136. Mr. *E. Buller.*] You mean, by these acts of Captain Elliot, which came to the knowledge of Mr. Johnston, the directions of Captain Elliot to the people at Hong-kong?—Yes, to put themselves under the command of Captain Blake, of the Larne.

137. *Chairman.*] When did Captain Elliot arrive at Canton?—About six o'clock on Sunday afternoon. I think five minutes after I had heard of his arrival he was in our house in full uniform, and demanded Mr. Dent to go with him to his house.

138. Did he use any influence or authority over Mr. Dent?—He merely commanded him in the Queen's name to accompany him to his own house.

139. You do not know how he became aware of all the circumstances that had occurred?—The only way in which he had become aware of anything that had occurred was from a private letter from Mr. Astell. Mr. Astell told me himself that he had asked Mr. Johnston if he had written to Captain Elliot to inform him of what was going on. Mr. Johnston said he had not, nor did he think of doing it; and then Mr. Astell himself, probably having other occasion to write, got a China boat to go to Macao, and he wrote a note to Captain Elliot to tell him what was going on; and it was upon that advice, I believe, that Captain Elliot put forth that declaration at Macao, and came up.

140. What induced Captain Elliot immediately upon his arrival to come to Mr. Dent?—I suppose he had made up his mind to take Mr. Dent under his protection; he had stopped at Whampoa, and he would hear something of it there.

141. You imagine that his reason for coming to Mr. Dent was, that he had heard of the demand of the Chinese government for Mr. Dent to go into the city?—He had heard of it from Mr. Astell.

142. Mr. *Colquhoun.*] You said written communications were interrupted?—So they were; Mr. Astell's was the last communication that was made, and he had, I believe, bribed very high to get a Chinaman to take it.

143. *Chairman.*] Did Mr. Dent remain with Captain Elliot?—Captain Elliot took him by the collar, and led him away to his own house through the mob. Mr. Dent remained there during the whole time; he never came to his own house again, and has never been there since.

144. Mr. *E. Buller.*] In fact Captain Elliot took him into custody?—He did; he commanded him, in the Queen's name, to accompany him, and he led him away by the collar from our house to the square; at least I understood that was the case, through a very dense mob.

145. Sir *R. Peel.*] His taking him by the collar was to show the mob that he was determined to carry his intentions into effect; it was not done in hostility to Mr. Dent?—Not at all; he was in full uniform. Mr. Dent appeared a little

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puzzled about it, and he appealed to myself and to our other partners to know what he must do, and we said of course he must go. I took Captain Elliot to the terrace at the top of our house, and showed him that there were 12 Chinamen lying around the factory to guard Mr. Dent. On the terrace on one side of the house I could see three men lying on each side, so as to command a view of every part of the house. I remember taking Captain Elliot there, and begging him to be witness of that.

146. *Chairman.*] Will you explain exactly what you mean by the word "factory." To what sort of place do you apply the name of factory to; is it a collection of houses, or an inclosed space?—There are different hongs; which hong is a thing something like the back part of the Albany Chambers here; a narrow passage, with houses on each side of it, and each of those houses we call a factory; I should call it a house, perhaps.

147. Mr. *Hogg.*] Were the men planted merely to watch, or were they armed?—I think not.

148. Your opinion is that they were planted merely to watch the motions of Mr. Dent?—Yes, they vanished directly they saw Captain Elliot, in five minutes, and they were never there again.

149. *Chairman.*] Will you proceed to detail the occurrences on Monday and the following day?—On the Monday morning I never left our house myself; I stayed at home, because I thought it exceedingly likely that the Chinese authorities would come for me, having missed Mr. Dent. I heard an immense noise going on the whole day at the Consoo-house, which was within hearing of my windows, and I was every moment expecting them to send for me. It was only when the correspondence was published here that I knew what that noise was about, from which I see that Captain Elliot was in correspondence with the parties the whole day; that the kwang-chow-foo was wishing him to go to this Consoo-house, and there is an official document on the part of the Chinese, stating that Captain Elliot had been expected to go there; that Captain Elliot first invited the mandarins to come to his house, but that they would not do; but the kwang-chow-foo had gone to the Consoo-house to see Captain Elliot, and the Viceroy states, that neither Captain Elliot nor any other of the foreigners would show their heads; in fact, it was then taken out of the power of the foreigners altogether. I myself would have gone at any moment up to Monday night, and it was understood that Mr. Thom and Mr. Fearon, the interpreters, were invited to go to the Commissioner on the Monday, but that Captain Elliot prevented their going; so that in fact the power of communicating with the Chinese was entirely taken out of our hands by Captain Elliot. I would have gone at any moment, up to nine o'clock on the Monday night; but at nine o'clock I went over to Captain Elliot's house, and talking with him upon the subject, he blamed me very much for having gone into the city in the first instance, and commanded me not to go into the city again, should I be required; and he stated a reason which quite satisfied me that I was wrong, which was this, that had I gone into the city, he should have been obliged to go into the city to get me out; and he would have done so, I have no doubt, so that I should have got him into so much trouble. In fact, I should have done no good by going there, but I should have risked myself, and the whole weight of the thing would have fallen upon him; and from that moment I gave up any idea of going in, though it never was actually in question.

150. Will you state what next took place?—On Tuesday, about 3 o'clock in the day, my partner, Mr. Braine, who had been to Captain Elliot's house, came and told me that Captain Elliot was going to demand the opium to be given up to him. I asked him then upon what terms. He said he could not quite make out. I said, "Is Captain Elliot going to pay us for the opium, or going to give us any pledge for it?" He said that he had been asking that, but that Captain Elliot did not seem to be quite determined about it. I said, "We must know this, of course, before we can consider about it, because there is no reason why we should give up our opium to Captain Elliot more than to the Chinese, unless we have some indemnity for it," and I told Mr. Braine that he had better go back again and ascertain the fact. However, Mr. Braine asked me if I would go and speak to Captain Elliot about it. We went to the Superintendent's Hall, and there Mr. Dent and Mr. Braine, my partners, and myself, had a conversation with Captain Elliot about it. We asked him what he intended about it, and after a little while we asked Captain Elliot if he was quite certain

certain of what he was about; if he was quite sure of his grounds, and that he had authority to do it. He said he was quite certain, and that he had determined to do it on his way up from Macao. We then asked him if he intended to make the Government liable for this opium, because we stated that we could not give it up to him any more than to the Chinese, unless it was an act of necessity, or unless we had an indemnification for it; and he then stated that he meant to make the Government decidedly liable for it. We got him to repeat that over once or twice, and I remember before leaving him I told him there was still time to retract the thing, and to be sure that he felt he was quite justified in what he was doing by the authority he had, but he seemed to have no doubt about it himself. Upon this I returned home, and we considered the matter, and we thought there was nothing else to be done but to give up the opium to him. About 10 o'clock at night I went over to the hall again to see Mr. Dent. As I was passing Captain Elliot's door he beckoned me in, and he said that he was writing out the order to give up the opium, and he wished me to hear it read, to see that he had not made any verbal error in it; and then I again asked Captain Elliot if he was quite sure that he was borne out by his instructions from his Government in doing it. I told him that there was still time to retract, and we had a long conversation about it, and he said that he was quite certain that he was entirely justified in what he was doing, and that it was a thing he had made up his mind to do and meant to go through with. I remember his feeling at the time the responsibility under which he was acting. He wrote out while I was there an order, and he called in Mr. Dent also to hear it, to see that he had not committed himself verbally in anything unnecessary.

151. Sir *Robert Peel.*] You say you asked him if he was quite sure that he was borne out by his instructions; did you require from him a written assurance as to his construction of his authority?—No, certainly; I never saw his instructions.

152. The question is not whether you asked him to produce his instructions, but whether you asked him to give you in writing an assurance that he thought himself warranted by his instructions in demanding the opium?—Certainly not.

153. Lord *Sandon.*] Did he refer specifically to his instructions in giving this order?—Certainly; I asked whether he felt that he was quite authorized by his instructions in demanding the opium.

154. Did he refer specifically to his instructions in making this demand?—Yes, in these terms; he said that he was quite authorized in what he was doing.

155. *Chairman.*] Are the Committee to understand that you asked him the question whether he was authorized by his instructions to make this demand?—Certainly, and his reply was, that he felt himself authorized to do what he was about. I conceived that Captain Elliot called me in to hear it as much as a personal friend, as from being concerned in it; not at all to give any opinion as to whether he was warranted by his instructions or not; he never consulted me upon that.

156. Sir *George Grey.*] Did your question refer to the written document containing his instructions from the Government here, or did it refer merely to the general authority he possessed as Superintendent?—To his general authority; I was not aware of any particular instructions he had.

157. Lord *Sandon.*] But your question was as to his instructions?—Not as to any particular instructions.

158. You asked him whether, under his instructions, he was authorized to take such a step?—Under his instructions generally; perhaps it would be more correct to say, whether he had authority.

159. Mr. *Strutt.*] You are not sure that you used the word "instructions?"—No.

160. *Chairman.*] Did you know that he had private instructions?—No; I had heard him talk about instructions. For instance, when he came up to Canton, in his various communications with the mandarins I had heard him speak of instructions, but not of any specific instructions.

161. Then you mean by the word "instructions" the general authority he received for the guidance of his conduct from the Government?—Certainly; I could not suppose that he had any instructions with reference to that particular state of things, as to the opium being given up.

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162. Sir *Charles Lemon.*] Did you point out what would be the consequences to the merchants of his acting beyond his authority?—No; it was more from personal friendship to him than from anything else that I advised him to be sure, for his own sake, of what he was about. This was a private communication entirely accidental.

163. *Chairman.*] You stated that Captain Elliot called you into the room to read the paper; will you proceed to state what took place next?—Before I went away he had called for the secretary, Mr. Elmslie, to copy it; and I begged him, as a favour to myself, not to have it copied till the next morning, till he had had a night's sleep. I wished him for his own sake to have a night's rest before he committed himself to a demand upon the merchants to deliver up the opium, which he promised to do, and it was not copied out till the next morning; and then it was sent forth very early in the morning, calling upon the merchants to give up the opium by six o'clock the same afternoon.

164. That was the close of the 26th?—Yes. I have seen it stated here in print that the merchants and Captain Elliot concocted this order. That is why I have particularly mentioned the only part I had to do with it. I have stated all that I know about the thing.

165. Do you think that others were consulted previously to its being done?—I have no doubt that Mr. Matheson was consulted about it, because he was so much more concerned in the opium trade than we were.

166. Do you think it was for the purpose of consulting them, or for the purpose of ascertaining whether ready obedience would be given to the order?—I suppose that, at the same time that Captain Elliot communicated to Mr. Braine that he intended to make that demand, he did the same to Mr. Matheson.

167. Did he consult you, or do you suppose that he consulted others as to the propriety of the step he was about to take?—Not at all; he never consulted me upon it. I only ventured to endeavour to ascertain how far he felt himself justified in what he was doing.

168. Mr. *E. Buller.*] Do you know whether he consulted Mr. Dent, who was in the house at the time?—I believe he never consulted him about it. I do not think Mr. Dent knew more about it than I did when I went there between three and four o'clock.

169. Lord *Sandon.*] You say that Captain Elliot told you that he had decided upon this step before he came from Macao?—Yes.

170. Sir *Robert Peel.*] Before his arrival at Canton some merchants had delivered their opium to Mr. Johnston?—Yes.

171. Had they done that voluntarily?—Yes.

172. Rather seeking for an opportunity of delivering it?—I imagine that they had done it for the same reason for which I should have done it had my partner gone into the city, as I said before, in order to throw off the responsibility of giving up opium belonging to other parties from my shoulders on those of Her Majesty's representative.

173. When, therefore, Captain Elliot demanded the opium and coupled that demand with a promise of indemnity by the British Government, the merchants were glad to give it up?—It relieved them from responsibility; my own feeling was that the Chinese would certainly have it from us in one way or another; and conceiving myself obliged to give it up in one way or another, I would much rather give it up to Her Majesty's representative than the Chinese.

174. Therefore the order for the delivery met with the general concurrence of the holders of the opium?—Yes.

175. It was a popular measure with them?—I do not know what else we could do; I never heard any party there mention what else could be done.

176. It was a measure that met with the general concurrence of the parties holding the opium?—I think so.

177. *Chairman.*] Had you any consultation upon the subject of giving up the opium upon the 26th?—Never with other parties.

178. Mr. *E. Buller.*] Supposing that Captain Elliot had called for the opium without any guarantee; suppose he had said, we are all in duress, and the only way to relieve ourselves from the situation we are in is to comply with the demand of the Chinese government, and call upon the British community to surrender the opium, and you must trust to the British Government taking what course

course they think fit afterwards; do not you suppose that in that case the opium would have been equally surrendered?—No, I think not.

179. Sir *Robert Peel.*] You said just now that you did not know what you could do, except to deliver it; what could you have done, supposing you had not delivered it?—We might have done it eventually, but not that day. I think we should have done what we wished to do originally, to fight the thing off as long as we could, and to try and make terms with the Chinese. Having the Queen's authority in China, and the Canton community being a good deal divided amongst themselves, as is the case in most small commercial communities, we have hardly the power of acting together in anything; we have never been obliged to do it, and therefore when the Queen's authority stepped in to relieve us from responsibility of that kind, about which we were not agreed as to what ought to be done, we were all very glad to take advantage of this circumstance, and to relieve ourselves from our responsibility.

180. *Chairman.*] Was there any consultation among the merchants with reference to the course that ought to be taken on the receipt of Captain Elliot's order?—None that I remember; privately the merchants talked together about the thing.

181. Sir *Charles Lemon.*] What is the remonstrance to which the petition of the merchants refers. It is stated, "That after remonstrating in vain with Captain Elliot against such regulation, the British merchants then present did make a surrender of very large quantities of opium;" how was that remonstrance expressed?—I recollect nothing of the kind.

182. Was there any formal remonstrance made?—I recollect nothing of the sort; I never recollect hearing of such a thing as a remonstrance.

183. Mr. *E. Buller.*] When Captain Elliot arrived, what was the impression among the merchants at Canton as to the authority of Captain Elliot; did they suppose him to be invested with an absolute authority over the merchants at Canton?—It was supposed that he would never do a thing of that kind, unless he was justified towards his own Government in doing it.

184. You were under the impression that his authority was so absolute, that you were bound to yield to it under any circumstances?—I think the question was rather thus; I must speak for Dent & Co., or rather for myself; my feeling was, that the Chinese would have opium out of us in some way or other. There was great difficulty in giving up opium belonging to other parties; but when the Queen's authority demanded us that we should give up that opium under indemnity, we supposed we were justified towards our employers in doing that; and that if any one party had refused to accept that guarantee, and the Government had paid the others, the responsibility of refusing so to give it up would have fallen upon the agent in China.

185. Sir *W. Somerville.*] You thought at all events you were certain of losing your opium?—I thought so.

186. But that, by handing it over to the Chief Commissioner, there was a chance of saving it?—I considered that the Government were pledged to indemnify us.

187. Mr. *E. Buller.*] If you considered that Captain Elliot's authority was not so absolute as to justify you in surrendering the opium without an indemnity, how could it be the impression of the merchants at Canton that he had authority to demand it with indemnity?—The merchants at Canton never knew what authority he had.

188. But the act he performed was so acceptable to them that they never questioned his authority?—I questioned it to him, having a doubt whether he might not be acting a little precipitately; but when he seemed to be so perfectly aware of the responsibility of what he was doing, I could not imagine that he would do it unless he felt himself justified in doing it.

189. Were the merchants under the impression that his authority was equal to that of the supercargo, under the existence of the charter of the East India Company?—We never knew what his authority was. We have two newspapers at Canton, both of which have been calling upon him, the last three years, to state what his authority was.

190. As it was so important to know the extent of his authority, did the merchants never refer to the Act of Parliament?—I have heard them often talk about instructions, which must have been founded upon the Act

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of Parliament, but which were not to be found in any public document that we had got.

191. Surely the question of the power of Captain Elliot must have been discussed by the merchants at Canton?—Two newspapers there have been continually calling upon him to explain his authority.

192. Are you aware that upon many occasions individual merchants resisted that authority?—I do not recollect any instance.

193. Do you recollect the case of Mr. Keating?—Yes, he called upon Captain Elliot to publish his instructions.

194. Supposing the same circumstances had taken place under the existence of the East India Company's charter, would it not have been impossible for Mr. Keating to have resisted the supercargo?—They would have sent him away, no doubt.

195. Then from that transaction, it was perfectly notorious to all the merchants at Canton that the powers of Captain Elliot were not so extensive as those of the supercargo?—I do not see that; because although Captain Elliot had anthority to send him away, it did not follow that he should exercise it. The East India Company had power to send persons away, which they did not exercise for years.

196. Were the merchants at Canton under the impression that Captain Elliot had authority to exercise that power upon any British subject who resisted his instructions or orders?—I always believed that he had that authority, until I saw the published correspondence here.

197. Sir *George Grey*.] Did Dent & Company deliver their opium to Captain Elliot out of deference to his authority, or did they deliver it to him because they thought that by that delivery they secured themselves against the total loss of the opium, or had a better chance of securing themselves than by running the risk of its being seized by the Chinese?—They considered that Captain Elliot having pledged himself on the part of Her Majesty's Government for an indemnity for that opium, they would be indemnified.

198. If, instead of being convinced as you were that the Chinese would get the opium by some means or other, you had been convinced that they would not get it, and that the opium was safe in your own keeping, would you have delivered it to Captain Elliot?—If others had done it, probably we should; I dare say we should have refused it in the first instance, but if any other party had given it up, I think the others must have done the same, inasmuch as if other parties had given up their opium, and had been paid here 500 dollars a chest for that opium, and we had sold opium belonging to other parties at a less price, I should think we should be liable for the difference in any court of justice.

199. You would not in that case have taken upon yourself the responsibility of taking another course from that which was taken by other merchants?—No; I have no doubt that we should all have hesitated a good deal, and discussed the matter a long while before we should have given it up to Captain Elliot.

200. You would have been governed by a reference to your own pecuniary liability?—Yes.

201. Lord *Sandon*.] Then your giving up the opium was less in deference to the authority of Captain Elliot than in confidence that he had authority to pledge his Government for the value of it?—He felt himself authorized in doing it; I conceive he would not have done it unless he were authorized.

202. It was a reliance upon the value of the indemnity that he offered which induced you to give it up?—A reliance upon being paid the indemnity money.

203. *Chairman*.] You had no precise knowledge of what his powers were?—Certainly not.

204. But you had a general belief that those powers authorized him to take the steps he did?—Certainly; I knew Captain Elliot had been in correspondence with Government about the opium question; I knew that from conversations with him; I had for two or three years before foreseen that some question must arise out of the opium; it was my belief long before, and that of many others, that the thing could not go on as it was doing; Captain Elliot was well aware of that; and I could not but suppose that he had represented it to his own Government; and I could not but imagine that his own Government had given

him

him some general instructions by which he was to be guided in case of any evil happening.

205. Mr. *Hogg.*] You have stated your belief, when you first read the Commissioner's edict, that it was the intention of the Chinese government to pay for the opium if delivered up; did you communicate that impression to Captain Elliot in your communication with him respecting his intended requisition?—Perhaps not at that moment; but I talked with Captain Elliot about it on several occasions; on Monday night, for instance, though I do not recollect it, it is exceedingly likely that I mentioned it then.

206. Did you, before he issued his requisition, inform him that it was a general impression of the merchants, on reading Commissioner Lin's edict, that the Chinese government intended paying for the opium?—Certainly not, because I do not think it was a general impression of the merchants; on the contrary, I think it was not.

207. Did you communicate to him your own impression that that was the intention of the Chinese government?—I have not the least doubt that I did, but not on the occasion of discussing the demand to give up the opium.

208. What was it that changed that belief in your mind, that the Chinese government would pay for the opium?—I believe, to this moment, that Commissioner Lin came down from Pekin prepared to pay for part of the opium.

209. Mr. *Herbert.*] Was that your impression at the time you made the arrangement with Captain Elliot?—Certainly.

210. Sir *George Grey.*] Was that impression derived from the terms of his edict exclusively, or from any other information?—From the terms of his edict, and from the merchants; I have no doubt that the Hong merchants believed it; I am sure that they believed that they would have to pay for the opium which Mr. Dent would have to give up, if he went into the city.

211. Mr. *Herbert.*] Then you imagined that you had the alternative of selling the opium either to the Chinese government or to Captain Elliot?—I knew that the Chinese government were never prepared to pay for 20,000 chests. I think that Commissioner Lin intended, first of all, to take Mr. Dent into the city. He said that he had got 5,000 chests of opium; and, supposing that had been the fact, he would have got that out of him; I believe that, to induce Mr. Dent to comply, he would have paid for the opium; and I am satisfied the Hong merchants believed that they would have to pay for it, inasmuch as Mowqua, during the discussion about Mr. Dent's going into the city, asked my partner, Mr. Braine, if we would take 400 dollars per chest.

212. Sir *Robert Peel.*] As you were upon good terms with Captain Elliot, and advised him confidentially about this transaction, did you ever suggest to him that he might get something out of Commissioner Lin, if he would be very firm?—After this had occurred, I had many conversations upon the subject with Captain Elliot.

213. Did you tell him that you thought he might have got payment from Commissioner Lin for a considerable part of the opium?—I have no doubt I did; I thought myself the Chinese would propose, through the Hong merchants probably, payment for the opium in some way. This was after Captain Elliot had given up the opium; and even now I should not be very much surprized to hear of such a negotiation on the part of the Hong merchants.

214. Mr. *Gladstone.*] What do you think prevented that expectation being realized?—I think the amount of 20,000 chests was so much larger than Commissioner Lin ever expected to get, that that has thrown a difficulty in the way; then, in the next place, I think a number of circumstances have led to exasperation between the Chinese government and the foreigners in China, and that has prevented any kind of pacific overture. Upon every occasion I have ever known before, the Chinese, after committing any violence, have always begun to conciliate, and I thought they would do the same in this case.

215. As no exasperating circumstance occurred soon after the delivery, do you think the quantity of opium alone would have staggered the Chinese, and prevented them from offering payment for it?—I have no doubt that it staggered Commissioner Lin, but I never expected that Commissioner Lin was going, himself, to propose paying for this opium, but that it would have come through the Hong merchants. For instance, had Captain Elliot left the country alto-

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gether, and had the trade gone on regularly, which I have no doubt it would, it is probable that after two or three months the Hong merchants would have treated with the foreigners to ask them what they would take for the opium, and to devise means for paying it in the course of 10 or 12 years, as the debts of the Hong merchants were paid.

216. Sir *Robert Peel.*] In that case what would have been done with the opium?—They would have destroyed it.

217. Supposing Captain Elliot had made this proposition to the Chinese authorities: We are ready to take such measures as we can take in future to prevent this illicit traffic in opium, but there has been a great laxity on your part; you have connived at it, and therefore we cannot abandon the opium actually in the country without payment, but we will deliver up to you whatever quantity you will undertake to pay for; do you think he would have been successful if he had said, Here are 10,000 chests of opium, and they shall be delivered up to you provided you will guarantee the cost?—I think it is possible, but the whole conduct of Commissioner Lin is to me so unlike anything Chinese that I ever saw before, that it has quite thrown me out in all my calculations.

218. You think he came to Canton with the intention to pay something?—I think so myself; I think he came from Pekin authorized to make an arrangement to pay something, if necessary.

219. Sir *George Grey.*] Do you think that such a proposal from Captain Elliot would have been attended with success, unless it had comprized the whole 20,000 chests?—No.

220. Sir *Robert Peel.*] If he had insisted upon the condition of payment for the whole 20,000 chests, do you think that after they had taken time to deliberate upon it, if Captain Elliot had firmly adhered to that proposal, he might ultimately have succeeded?—No, I am afraid not. Besides, we were all starving in the meantime; at least, we were threatened with starvation.

221. Were you yourself alarmed by those threats of starvation?—No, I was not.

222. Sir *George Grey.*] You stated that there was a general expectation that Captain Elliot would arrive at Canton?—Not general; it was the expectation amongst several parties that knew him best. I am stating a great deal as opinion, which is entirely my own, and which was not the general opinion.

223. You entertained the opinion, and you told Mr. Johnston that you entertained that opinion, that Captain Elliot would certainly arrive at Canton?—I do not know that I told Mr. Johnston, but I had no kind of doubt about it, nor had Mr. Astell; several of us, who knew Captain Elliot best, had no doubt about it.

224. Was that opinion founded on the fact of Mr. Astell's letter to him, and the information which that letter had conveyed to Captain Elliot?—No; it was founded upon Captain Elliot's character. We were sure that Captain Elliot would not let his countrymen be in any danger; and, therefore, we felt assured that the moment that he knew we were forcibly detained at Canton, he would come.

225. Did you see Mr. Astell's letter to Captain Elliot?—No.

226. Do you know whether any representation had been made to Captain Elliot of a general feeling of alarm and apprehension existing on the part of the foreign community at Canton?—He could have had nothing but Mr. Astell's letter, which must have been a very short note, for he could not have sent a long letter by such means as he did.

227. Mr. Astell took extraordinary means to get that letter conveyed to Captain Elliot?—He took advantage of a boat, by paying highly for it.

228. Was that letter to represent to Captain Elliot that the foreign community at Canton was in a state of alarm and apprehension, owing to the measures taken by the Chinese authorities, and urging his coming to Canton?—I do not think it urged him to come to Canton, but I have no doubt that it informed him what was going on. Mr. Astell had nothing to do with the opium trade. Captain Elliot had no knowledge of what was going on at Canton but through Mr. Astell; and I know Mr. Astell, before he wrote himself, asked Mr. Johnston if he had communicated what was going on to Captain Elliot, and he stated that he had not.

229. Your

229. Your own impression was, that upon the receipt of Mr. Astell's letter, judging from what you knew of Captain Elliot's character, he would immediately come to Canton?—Certainly.

230. Mr. *Elliot.*] You were understood to say that you had a conversation with Captain Elliot as to the probability of Commissioner Lin causing the opium to be paid for by the Hong merchants; can you say that you had any conversation of that sort, in which you confidently expressed that opinion previously to giving up the opium?—I cannot say; I think it exceedingly probable.

231. You did not urge that opinion at the time when it was proposed to give the opium up?—Certainly not.

232. Mr. *Horsman.*] When Captain Elliot arrived at Canton, the question of giving up the opium to the Commissioner was still under the consideration of the merchants?—It was.

233. And the moment he came he assembled the merchants?—Yes.

234. Was that question of the propriety of giving up the opium at all submitted to Captain Elliot?—I never heard it till my partner, Mr. Braine, mentioned it about three o'clock on Tuesday.

235. The decision which the merchants came to not to give up the opium, they came to after Captain Elliot's arrival?—I do not recollect their coming to any decision about it, further than that Mr. Dent was not to go into the city. I doubt whether they ever agreed upon any other point.

236. Did Captain Elliot give any advice or any opinion upon that question as to whether you should give up the opium?—I did not hear his speech upon that occasion.

237. He made a speech upon that occasion?—Yes; there was nothing whatever, I think, said about giving up the opium.

238. Upon the question which was then in dispute between the merchants and Commissioner Lin, did Captain Elliot give any opinion?—I do not recollect that.

239. When he found the community in this difficulty, that they had a certain quantity of opium which the Commissioner insisted upon their delivering up, did not he give any opinion upon the question which had placed them in this difficulty, as to whether or not they should obey the order which he had issued?—I do not recollect the purport of his speech.

240. Mr. *Elliot.*] Was that point ever submitted to Captain Elliot?—I do not recollect any opinion about giving up the opium till about three o'clock on Tuesday afternoon.

241. Had Captain Elliot not arrived upon the Sunday, would it not have been impossible that Mr. Dent should not have gone into the city?—I believe they would have taken him in by force.

242. Had he gone into the city, do you suppose he would have been in great personal danger?—Judging from what we know of the Commissioner's character and his proceedings since, I think that Mr. Dent might have been in danger had he not gone in on the Monday morning. Had he gone in I believe they would have kept him there till he gave up his opium.

243. And you think upon his giving up his opium he would have been released?—And signing the bonds. At that time we did not think anything about the bonds; but I have no doubt that was part of the intention.

244. And you think the same course would have been pursued in rotation with the several merchants that had opium?—We understood from the Chinese that that was the intention.

245. So that if Captain Elliot had not arrived at Canton at that time the merchants would have been obliged to give up their opium, and would have been obliged to sign those bonds?—I think they would have made a great difficulty about the bonds; it would have depended upon how long they would have endured the imprisonment, and the probable annoyances attending it. I think they would not have let Mr. Dent out till he had signed the bond.

246. And the rest of the merchants the same?—Yes.

247. So that the whole community would have been bound to abide by those bonds?—Yes.

248. And you attribute that not having been done to the arrival of Captain Elliot at Canton?—Yes; I have no doubt that Mr. Dent would have been taken

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into the city had Captain Elliot not arrived; and I have no doubt that they would have had the opium out of him and made him sign a bond; but Captain Elliot would still have come up to Canton under any circumstances, and then the thing would have turned upon the imprisonment of Mr. Dent; he would have insisted upon Mr. Dent being released.

249. Mr. *Hogg.*] You have stated that until after Captain Elliot's arrival, European merchants were not subject to any inconvenient duress, at least to no deprivation of servants or of provisions; was there any deprivation of servants or provisions in the time that intervened from the arrival of Captain Elliot till the issuing of the requisition?—They took away our servants the night that Captain Elliot arrived; about an hour afterwards.

250. Were your provisions stopped?—Yes.

251. When?—On Captain Elliot's coming up, on the Sunday.

252. Mr. *Gladstone.*] Did you consider that the stoppage of the provisions and the removal of the servants was connected with Captain Elliot's arrival?—I am not quite sure, but I think the reason assigned for doing it was Mr. Dent's not obeying the Commissioner's order.

253. Mr. *Hogg.*] Will you state when you were first deprived of the servants, and when the supply of provisions was first stopped, and to what extent the supply of provisions was stopped?—The servants were taken away the night that Captain Elliot arrived; immediately afterwards, on the Sunday night; and the provisions were stopped on Monday morning. The fact is, in our house we knew what the Chinese do in those cases, and we had laid in a supply of provisions before, so that we were not dependent upon them for a few days.

254. Lord *Sandon.*] The Chinese have stopped the provisions on former occasions?—Yes; the old hands, who knew them, had guarded against that; we had got nearly a month's supply.

255. Sir *George Grey.*] You think that was part of the process to which the Chinese authorities had recourse to compel Mr. Dent to go into the city?—Yes.

256. And you believe they would have persevered till they had compelled Mr. Dent to go?—Yes.

257. And that they would have gone on with the rest of the merchants till they had compelled them all to go in and deliver up the opium?—Yes. On Saturday, when two officers came to Mr. Dent's house, he said, if you make me go with you I must go; if you take me I do not mean to offer any resistance.

258. *Chairman.*] Were you exposed to any other inconvenience than the loss of provisions and the departure of the servants?—No, except that they blocked us up and prevented our going into the city. I am not quite sure that the provisions were stopped on the Monday morning; it may have been Tuesday; but they drew a cordon of boats in the river, in front of the factory, so as to prevent any person going upon the river. Upon Monday morning they blocked up all the entrances into the city; that was under the pretence of preventing Mr. Dent escaping.

259. Mr. *Horsman.*] Previous to Captain Elliot's arrival, had not he issued a proclamation to the British merchants?—Yes, at Macao.

260. Were the Chinese authorities aware of that proclamation before they stopped your provisions?—I am not aware of that. We knew, by Mr. Astell's answer, that he had issued something of that kind.

261. Requiring the British ships to put themselves in a state of defence?—Yes.

262. Mr. *Gladstone.*] Is it your impression that the Chinese authorities, supposing that Captain Elliot had not come up, intended to proceed by the direct personal seizure of Mr. Dent, or by general measures of coercion against the foreign community?—I think they meant to take Mr. Dent first, and that they intended to get his opium; and from what I have seen subsequently, I have no doubt they intended to make him sign the bonds.

263. Then you do not infer from the stoppage of the provisions, that they intended to inflict very great inconvenience in the first instance on the whole community, but you think they would have gone direct to Mr. Dent?—The stoppage of the provisions was after Captain Elliot came up and had taken Mr. Dent to his house; it had then ceased to be a question of Mr. Dent going into

into the city. There was a public document issued by the Chinese, saying that Captain Elliot had taken the whole responsibility upon himself.

264. Was any practical inconvenience suffered, to your knowledge, by any part of the foreign community from the stoppage of provisions before the arrangement was made for the delivery of the opium?—I think not, because we all helped one another; and, as I mentioned before, in our house we had got a month's supply.

265. Will you state, as exactly as possible, the time when Captain Elliot's order was promulgated for the delivery of the opium?—On Wednesday morning, the 27th.

266. Lord *Sandon.*] Your impression was, that, till Captain Elliot came, the measures of the Chinese government were intended to be directed against individuals, one after another?—Yes.

267. But they did not intend to proceed against the community till Captain Elliot came and identified himself with the whole transaction?—I think their intention was to take Mr. Dent first, and begin with him; that was my own belief.

268. *Chairman.*] But subsequently to Captain Elliot's arrival, you were understood to say, that the idea of Mr. Dent going into the city was abandoned?—Yes; I think that was on the Tuesday, when there was a public document by the Chinese authority, saying, that since Captain Elliot had taken the responsibility upon himself, it was no longer a question with Mr. Dent.

269. And then, you think, the measures of coercion were directed against the community at large?—Yes, but under the pretence, as far as the guard went, of preventing Mr. Dent's escape.

270. Was there any opium in Canton itself belonging to European residents?—I believe there was. Commissioner Lin had required that all the opium in the houses should be given up, upon which Captain Elliot sent round an order to the merchants to deliver up the opium that they had to him; I never knew what he did get, but I believe there was some.

271. Was it a trifling quantity or large?—Very trifling.

272. Sir *George Grey.*] Was it given up without any promise of indemnity?—Yes.

273. Mr. *Gladstone.*] Supposing the agreement for the delivery of the opium had not been made by Captain Elliot, what course do you apprehend that the Chinese authorities intended to take; is it your impression that they would have reduced the foreign community to actual starvation?—From what I have seen of Commissioner Lin's conduct since, I think he might have gone to any extent; he seemed to be resolved to carry out his own measures.

274. Sir *George Grey.*] Do you know what Captain Elliot's impression upon that point was at the time?—I think he was exceedingly alarmed; he thought that Commissioner Lin was prepared to go any lengths; and, from what I have seen since, I think he was.

275. You, from subsequent observation, have arrived at the same opinion which Captain Elliot entertained at the time?—Yes.

276. Mr. *Gladstone.*] What was the general feeling of the foreign community; did they expect that they should be starved?—They were under immense alarm; the excitement was beyond anything I ever saw.

277. Lord *Sandon.*] The people expected that they should be starved?—Yes. There were a great number of people newly arrived, who had not seen these kind of things before, and they were infinitely more alarmed than the old residents.

278. Sir *George Grey.*] Was it an alarm at the prospect of starvation, or was it a general alarm and apprehension that the Chinese authorities would have recourse to violence?—That they would have recourse to violence, I may mention the case of the two Mr. Dents. My partner is an old resident in China, and he himself wished to go into the city on the Friday, and even on the Saturday morning, and during the Saturday; whereas his brother, who had not been long in China, was, as I mentioned, dreadfully alarmed about the fate of his brother, and thought that he would be certainly put to death if he went into the city. I mention this to show the difference between men that have been accustomed

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to the Chinese and men that have but lately arrived. A great part of the community in Canton at that time had not been long resident; there were a vast number of captains and officers of ships, for instance, and some strangers.

279. Mr. *Elliot.*] You said that you considered the operations of Commissioner Lin not to have been more directed against Mr. Dent personally than against any other person, because you said you believed that the same operation would have been carried on with respect to all the other merchants?—Yes, that was understood.

280. So that in fact it was an operation against the whole foreign community, although not perhaps carried into effect by means of starvation; but you believe it would have been carried on against the whole community one after another?—Yes; but there was no starvation at that moment; at that time the general impression was that they wanted to get the opium out of him to lead the way for the others.

281. Lord *Sandon.*] That they would have successively laid hold of each of the merchants that dealt in opium, for the purpose of inducing each of them successively to give up the opium consigned to him?—Yes, that was what the Chinese said; they even mentioned the names; they said that Mr. Matheson was to go in next.

282. Mr. *Elliot.*] After Captain Elliot came, they forbade the servants to come into the factory?—They took them away at night.

283. And then stopped the provisions?—Yes; I cannot be quite sure about when the provisions were stopped, whether it was Monday or Tuesday.

284. Was there not also some prevention of the supply of water?—We have all got wells in our houses; but the water is not very good, and we usually get water from a good spring without the precincts of the factory; and that was cut off.

285. Mr. *Gladstone.*] Was the passage to the water in particular guarded, or was it that all egress was cut off?—All egress was cut off.

286. Lord *Sandon.*] The Hong merchants were perfectly aware of the resources of water which you had within yourselves?—Yes; besides that we keep supplies from the river.

287. *Chairman.*] Was any wall built up in front of the doors?—No; they built up the streets, but I do not recollect at what period; I should say not till some days after Captain Elliot came up.

288. Mr. *Herbert.*] You mentioned that each of the merchants would probably have been taken, and made to give up his opium, and sign a bond; were not the bonds first mentioned subsequently?—Yes, that is my belief, from what has occurred since.

289. Lord *Sandon.*] No mention was made of the bonds till subsequently?—No.

290. Captain Elliot could not have known anything about the bonds at that time?—No.

291. Mr. *Colquhoun.*] Till the arrival of Captain Elliot, the foreign community were in a state of alarm and duress, but there was no stoppage of provisions or taking away of the servants?—No.

292. The old residents were less alarmed than the younger ones?—I should say so as a general rule.

293. From what cause?—Because they understood the Chinese less. These are things that have happened before, taking away servants and stopping provisions.

294. And after a struggle the foreign community has been placed again in the same condition as before?—Yes.

295. Mr. *Elliot.*] But from your subsequent knowledge of Commissioner Lin's character, you think this alarm was better founded than you thought at first?—Certainly.

296. You would not like to trust yourself in the city now with Commissioner Lin?—I do not think I should.

297. Mr. *Gladstone.*] Are you of opinion that Commissioner Lin had any object

object beyond the effectual stoppage of the opium trade?—I have no doubt the intention was to put back the whole foreign trade under what they call the old regulations, which are every now and then brought forward to bring it back to the time when the members of the factory waited on the Hong merchants with swords, as Commissioner Lin mentioned. I have no doubt he intended that, because he began doing the same thing with the Chinese trade; he issued the most vexatious regulations for the Chinese trade.

298. You think, then, that he had objects beyond the stoppage of the opium trade?—Yes; I have no doubt that there had been political fears in Pekin which had induced them to do this.

299. Do you think it was part of the Commissioner's object at all to limit or impose fetters upon the legal trade?—Yes, I have no doubt to put us under what they call the old regulations. Whenever we have any difficulty with them they bring up these old regulations.

300. Do you think the government of Pekin have lately become more jealous of the legal trade, and of intercourse with the English?—I think they have become more jealous of the English.

301. And of the extension of the legal trade?—No, I think they merely wish to put restrictions upon it.

302. Do you think they are favourable to the extension of the legal trade?—Yes, certainly.

303. Do you think they are strongly desirous of an extension of the legal trade?—Probably not.

304. Do you think they are more desirous of it than they used to be?—I think they are desirous of getting as much trade as they can; they would be happy to increase the export of their own products to any extent.

305. Lord *Sandon*.] Does not Commissioner Lin, in more than one of his edicts, offer increased advantages to the legal trade if the opium trade were given up?—It is very likely; I do not remember anything of that kind.

306. *Chairman*.] Your statement has now gone up to the morning of the day on which Captain Elliot issued his orders for the delivery of the opium; will you proceed to state what happened subsequently?—The opium was agreed to be all given up on that day; afterwards there were several weeks of negotiation between Captain Elliot and the Chinese government and Commissioner Lin as to the mode of giving it up, and the various delays that occurred at Lintin; but I recollect nothing that I as a merchant was particularly interested in till the end of the time, when it was found that the quantity required, which the parties had pledged themselves to give up, was not forthcoming. I do not recollect anything particular occurring in the interval, further than that there were continual negotiations with the Commissioner about it; and of course we were under great suspense and anxiety at the time, to know when we were to get out.

307. When were the returns sent in of the quantities which you respectively held?—They were sent in by six o'clock of the afternoon of Tuesday; we had sent in a statement of the opium which we had prepared to give, amounting altogether to 20,283 chests.

308. Each house made a statement of the opium under its control?—Yes.

309. With an intimation of your readiness to obey the command of Captain Elliot?—We said that we were prepared to hand it over to him in the course of the next day, and on the following day we sent orders for the opium.

310. Was there any general meeting of the merchants for the purpose of making that communication?—No.

311. Each communicated separately?—Yes.

312. Was there any demur, or any reluctance expressed on the part of the merchants?—None whatever.

313. Were there any complaints by the superintendent of the slowness of the delivery of the opium?—I had forgotten one thing that occurred previous to giving up the opium, which was, that a meeting of the principal opium merchants was held, at which they all engaged to sign a bond that they would not enter into the opium trade any more; that was done before the opium was given up, with a view to get the Commissioner to modify the terms of his demand.

314. Was that subsequently to Captain Elliot's proclamation?—That was prior to his demand.

315. Was it prior to his coming up to Canton?—No, it was after he came up to Canton.

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316. At that meeting the European merchants agreed to give up the trade in opium?—Yes; they all signed a letter to that effect, addressed to Captain Elliot, which they handed to Captain Elliot, which he forwarded to the Chinese.

317. On what day was that?—I forget; I think it must have been on the Monday that it went to the Chinese; the paper was signed by the several firms engaging not to trade in opium any more.

318. What was the object of entering into it?—The object was to get Commissioner Lin to modify the terms of his demand; the intention of Dent & Co., which I can answer for, was to give up the trade entirely, unless it should be a legal trade.

319. Have they given up the trade?—Entirely, except to get rid of the opium which they had in hand; they have neither taken a consignment of a chest of opium, nor bought a chest of opium since.

320. Lord *Sandon.*] Was this given in consequence of its being required of you while you were under duress?—No; there was no bond required at that particular moment.

321. At that time were you cut off from supplies of provisions?—Yes; this was after Captain Elliot came up; I do not recollect the exact date of taking away the provisions; in fact it was done gradually.

322. It was on Monday that this bond was signed?—It must have been either Monday or Tuesday.

323. Then this deprivation of provisions could not have been any long time in force, even if it was in force at all?—It was enforced for a day or two, and those days must have been the Monday, Tuesday, and Wednesday; it was enforced till Captain Elliot had engaged to deliver up the opium.

324. *Chairman.*] At the time of that meeting the European community were suffering no great practical inconvenience?—I think not, inasmuch as several of the old houses there had laid in provisions; and there was no fear of actual starvation, I consider, at any moment.

325. Mr. *Gladstone.*] Had not some of the houses in Canton determined, at an earlier period, to give up the opium trade?—I know of none; I know one or two parties, members of houses, who were inclined very much to get out of it, because it was becoming a disreputable trade. I have known two Englishmen who refused to join houses engaged in the opium trade.

326. The question refers to a very recent period; had the previous measures of the Chinese government, before Commissioner Lin actually came down, induced any of the houses in Canton to determine on abandoning the opium trade?—Not entirely.

327. They were still engaged in measures connected with it?—Yes.

328. There were not any of them that had given notice that they would receive no more consignments of opium?—No, I think none of them.

329. *Chairman.*] You were understood to say that that letter, addressed to Captain Elliot, was communicated to the Chinese authorities?—It was. I cannot be very sure that I am right as to the mode by which the communication was made; but I am certain as to the fact, that such a declaration was signed by most of the houses.

330. When was that communication made?—It must have been prior to Captain Elliot's giving up the opium, prior to the Wednesday morning.

331. You imagine that Captain Elliot lost no reasonable time in communicating that?—Certainly not; I can only state the dates from the official correspondence.

332. Will you state what occurred with respect to giving up the opium?—I remember nothing particular till the question occurred as to the short delivery of opium. Captain Elliot had pledged himself to make good every chest. There was a general belief that the Commissioner doubted whether Captain Elliot was ever going to deliver up 20,000 chests. That was the general belief of the Chinese; and in some part of the transaction it was supposed that he had rather taunted Captain Elliot with the slowness of the delivery. Captain Elliot became exceedingly uncomfortable upon this; and I have heard him say very frequently indeed, to the merchants at his house, "For Heaven's sake, gentlemen, enable me to keep my pledge with this man, and to fulfil the whole agreement." And it was on this account that at last, when it was really become apparent that the opium could not be found, that some of the parties who were to give up the opium could not give it up, that Captain Elliot called together a number

number of merchants by circulars, one night, to ask them to devise means to enable him to keep his word with the Commissioner, to enable us to get out of Canton, because we had been five or six weeks in Canton, and we could not get out till the whole was forthcoming. Upon this occasion a number of people assembled at his house the next day, for the purpose of devising the means of doing it; but we found that it had been settled between him and one of my partners, Mr. Braine, and one or two other gentlemen, who had arranged the thing with him to make up the deficiency of opium on the terms which Captain Elliot has mentioned in his correspondence.

333. You were understood to say that you had before given up all the opium that you had?—Dent & Co. had given up the whole of their quantity, or had it ready to give up, and so had all the other houses, with three exceptions.

334. How did you supply Captain Elliot with any more opium, if you had given up all yours?—Dent & Co. supplied the deficiency, out of a ship that arrived from Bombay after the 20,283 chests had been resigned by Capt. Elliot.

335. The deficient supply was made up by the house of Dent & Co. out of opium that arrived subsequently to the agreement to surrender?—Yes.

336. What were the terms upon which you did it?—It was given up to Captain Elliot upon the understanding that he was either to pay for it in money, or return the same opium, chest for chest, at the end of a month. He has put a third agreement into his letter, about our taking it as part of the original surrender, but it was never intended in any possible way to identify the opium which we gave to him to make up the deficiency with the original surrender, and we could not do it, for this reason, that the opium did not belong to us; and though we might have been justified in the first instance in giving up the opium upon Captain Elliot's peremptory demand on the part of the Queen, we could not possibly have been justified in giving up other opium afterwards on the same demand, when we were not under the same necessity.

337. What was the reason of the short delivery?—One reason was, that Jardine & Co. had given up some opium belonging to a gentleman at Macao, which they happened to have in their possession, and that gentleman refused to abide by that engagement. That was one difficulty, which was subsequently got over; and another was, that Heerjeeboy Rustomjee, a Parsee, had given up a small parcel of opium, that opium I believe being consigned to another house, which held the bill of lading as a lien upon it. This was the general belief at the time at Canton, but I cannot be sure that I am right, except as to the Macao opium.

338. The general impression was, that one party gave it up as being the owner, and that the other party gave it up as having money advanced upon it?—That was generally understood to be the case.

339. Sir *George Grey.*] Therefore to that extent the indemnity orginally given could never be claimed?—No; it could only be claimed once.

340. *Chairman.*] Did Captain Elliot persevere in giving up the quantity from a wish that his conduct should be unsuspected by the Commissioner?—Certainly.

341. What was the date of making good the deficiency; do you recollect when the opium arrived out of which the deficiency was supplied?—I do not recollect, but it was prior to the 11th of May, the date of Dent & Company's agreement as to the payment for the opium.

342. What agreement did Captain Elliot make with you with regard to the payment for the opium?—The original understanding was, that it was either to be paid for in money, or replaced chest for chest. But Captain Elliot mentioned at the time that the money must be Treasury bills, inasmuch as he had no way of getting money but by Treasury bills. Dent & Company never intended to take payment for this opium out of the original indemnity money, nor in any way whatever to identify the two transactions, inasmuch as they could not have done it, because the circumstances was so entirely different. And the letter in the official correspondence of Heerjeeboy Rustomjee and another Parsee party, in which they engaged to Captain Elliot to replace the amount out of the indemnity money, was never known to Dent & Company at all; in fact, it was written after I left China, and we were no parties whatever to that. We merely required that at the end of a month we should either have the opium back again, chest for chest, or be paid for the opium. It was absolutely necessary to fix the time, because it was other people's opium.

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343. Were you paid for that opium?—We were paid by Treasury bills; but the Treasury bills, upon the face of them, apparently identify the transaction with the original surrender of the opium. The bills were drawn after I left Canton.

344. Sir *C. Lemon.*] Was any minute made of that understanding?—Yes. On the 11th of May there was a minute made, by which we were to be repaid either by identifying it with the original surrender which Dent & Company were no parties to, or by the return of the opium, chest for chest, or by Treasury bills.

345. The memorandum setting forth that understanding exists?—Yes; it is published in the official correspondence.

346. *Chairman.*] Those bills have not been accepted?—Those bills have not been accepted.

347. Lord *Sandon.*] Was not the communication of the foreign merchants giving a pledge that they would not continue the trade in opium in future, addressed to the Imperial Commissioner?—I do not recollect; I was not present at that.

348. Will you have the goodness to look at the official correspondence (*the Witness referred to the same*); having looked at the document in the printed correspondence, are you enabled to say through what channel this assurance to the Chinese government was conveyed?—No; I thought that it went through Captain Elliot, but I presume it must have been through the channel of the Chamber of Commerce.

349. *Chaiman.*] Have you any doubts that it went in some shape or other to the Chinese authorities?—None whatever.

350. Lord *Sandon.*] You were in possession of it soon after it was written?—I have no doubt whatever about it.

351. Mr. *Gladstone.*] Can you give the Committee any idea in what proportion the 20,000 chests of opium were owned in Canton or elsewhere?—No, I have no notion of that; the general supposition was that the greater part of it belonged to merchants in Bombay, but I have no means of ascertaining that.

352. *Chairman.*] Was it or was it not the general course of affairs that the great bulk was on consignment?—Certainly, on consignment from Bombay or Calcutta; but the general supposition was that the Bombay people were more largely concerned in the opium delivered up than any other persons.

353. Mr. *Gladstone.*] Do you suppose that the majority of the proprietors, in point of value, were resident in the East Indies?—Yes; nearly all the firms in Canton professed to be agents, and therefore the supposition is that the greater part of the opium was on consignment to them.

354. They did more business as agents, and as commission merchants, in the legal trade also, than as owners?—Yes.

355. *Chairman.*] Is it the fact that in England there are very few persons largely and directly interested in opium?—Very few. The way in which merchants in England may have become interested in it may be, that their funds in India were advanced upon it, and in that way the merchants in China have become very largely concerned in it, inasmuch as they have been in the habit of advancing money upon the opium, and of course they hold the bill of lading as their security, and this opium which they gave up was in many cases their security.

356. Lord *Sandon.*] Is not the Bengal opium equally held on native account?—Yes; on account of parties in Bengal.

357. *Chairman.*] The Parsee merchants, who are largely interested, are principally at Bombay?—Yes; a great deal of the Calcutta, and a great part of the Bombay opium belonged to natives in India on the Bombay side.

358. Have you any means of judging whether those people are distressed by the absence of their funds?—I have no doubt of it whatever.

359. They are not in a situation to bear the withholding of their funds?—Certainly not.

360. Did you return home by Bombay?—No, I came direct from China to Suez.

361. You have no personal knowledge whether this has produced any distress among the natives of India?—I have heard that it has, and I conceive that it has, because a vast number of poor natives are concerned in the opium trade in Bombay, generally receiving advances from the European houses of agency, or from

from the native merchants in Bombay; and therefore the loss will, in fact, fall upon the rich natives to a very great extent. I think the rich natives in Bombay can afford to bear it, but it will ruin a great number of the small merchants. The rich merchants will probably bear the loss without bringing it before the public.

362. Lord *Sandon.*] They will bear the loss, as having made advances? —Yes.

363. Mr. *Hogg.*] Do you consider that the greater part of the opium belongs to merchants resident in Bombay, not to merchants resident in Calcutta?—It is generally supposed that the Bombay merchants and the Marwarries up the country, who are concerned in the growing of opium, do buy very largely at the Calcutta sales, in order to keep up the price, and that they have very much influenced the sales, in order to support the price of their own opium.

364. Is not the greatest portion of the opium the Malwa opium?—All the Malwa opium belongs to people on the Bombay side, and they are supposed to own a great deal of the Bengal opium also.

365. Sir *George Grey.*] The loss of which you speak arises from the actual loss of the value of the opium delivered up to the Chinese?—Yes.

366. Has there been any interference with the opium trade from Bombay; have the exports of opium diminished, so as to produce a loss to the growers of it?—I cannot say.

367. Then you confine your statement to the loss sustained by delivering up the opium at Canton?—Since the opium was delivered up, the prices in China have been higher than they were before, and opium has been selling at an enormous profit; there are immense fortunes making in China now in the opium trade.

368. Does not that to a certain extent diminish the loss which the parties might have suffered from the delivery of this particular opium without receiving the value of it?—Not altogether, because the taking 20,000 chests out of the market has made a market for others.

369. Mr. *Gladstone.*] Although the prices have been very high since March 1839, has not the supply been comparatively limited?—I dare say it has.

370. Sir *George Grey.*] You do not know whether the exports of opium from Bombay have increased or diminished subsequently to this transaction?—I do not.

371. Lord *Sandon.*] Are they the same parties that have been selling opium since the seizure?—In some cases no doubt, and in some cases the commanders of the ships there, who always sold opium on the coast, are now selling it on their own account; but they have never signed the bond.

372. *Chairman.*] You stated that nearly the whole of the 20,000 chests delivered up were out of Canton?—Yes; all down at Lintin, or on other parts of the coast.

373. Was it entirely out of the reach of the Chinese?—Yes.

374. They had no power or means of getting hold of it?—None that I know.

375. Lord *Sandon.*] Within the limits of the Chinese waters?—It is in what they call the outer waters, which it seems the viceroys of Canton have given as an excuse why they could not put down the trade, because it was in the outer waters, out of their reach, but it is within the Chinese jurisdiction, inasmuch as many of the islands are peopled, and those people are under the Chinese government.

376. It is within the limits of the jurisdiction given to Captain Elliót?—Yes, since his jurisdiction was extended to Lintin, on purpose to include the opium ships.

377. Sir *George Grey.*] A good deal of the trade is carried on along the coast? —Yes; the last three years the greater portion.

378. Mr. *Horsman.*] Had the trade at all revived at the time you gave up those chests to make up the deficiency?—There was opium supposed to be selling outside, but not much at that time; but the trade was going on very briskly at the time the last arrangement was made.

379. You stated, that in the first surrender you made to Captain Elliot, it was a matter of calculation with you as to the interests of those who had consigned it to you, by comparing the chances of loss by giving it up to him with the chance of loss in any other way; did that consideration affect you in the last delivery which you made?—Upon the last delivery our reason for selling it to Captain

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Elliot was our never doubting the payment of the bills, because these were looked upon to be ordinary Treasury bills; I never contemplated any bill drawn in the way in which these are done, but it was intended that they were to be like any other Treasury bills.

380. *Chairman.*] Were those bills put into circulation, and sold in the way in which ordinary bills are?—Not in Canton; part of them were remitted to Bombay; they were endorsed over by Dent & Co. to parties in Bombay, to whom the consignment belonged.

381. Sir *George Grey.*] This opium came out of a ship that arrived subsequently to the delivery?—Not subsequently to the delivery, but subsequently to the agreement to deliver.

382. The opium that arrived from Bombay, out of which you sold some to make up the deficiency, did not form part of the 20,000 chests, and was not comprised in the statement originally given in?—No.

383. What became of the rest of the cargo?—After this was delivered up we had still some which has been sold subsequently, notwithstanding the bond; we did not think the bond extended to the length that we were not to sell opium that had unavoidably come into our hands, and it was sold there to Europeans; some of it was sold at 600 dollars a chest in the very week in which the arrangement for those chests were made.

384. Was there any difficulty in finding a purchaser for it?—I fancy none at all at the time the bills were drawn; when the vessel first arrived there would have been a difficulty.

385. *Chairman.*] Do you think it probable that the poorer classes of persons who have been engaged in the trade at Bombay, can find means to continue the trade, and thereby share in the profits given by the increased prices?—I should doubt it; generally, in any crash of this kind in the opium trade, of which we have had a good many before, from many circumstances, it generally cleans out all the poorer persons engaged in the trade, and then another class go into it when it revives.

386. Lord *Sandon.*] Before the news of this seizure reached Bombay, probably fresh shipments of opium would have been made?—The opium would fall into other hands. As soon as the difficulties in China were known, of course down went the price at Bombay, until it reached a certain point, at which speculators would go into it, but it would be only a few rich men that could go into it, because it is only those that can afford to hold for the length of time necessary.

387. In the meantime the opium that was on its way from Bombay to China would have found an excellent market when it reached the Chinese waters?—It appears that it did find it.

388. Mr. *C. Buller.*] You think that the persons that gained by the subsequent rise in the price of opium, were a great many of them different persons from those by whom the opium had been given up?—Undoubtedly; that is always the state of things. If you have an immense loss, and then a sudden fall in the price, it will necessarily ruin a great number of parties engaged in that particular transaction, and generally brings with it such a low price as to induce other parties to go into it as a speculation.

389. Are you rightly understood to infer that many of the people who lost their opium by its being confiscated, were not able to derive any advantage from the subsequent rise in price?—I should think so; moreover, they would be afraid of it.

390. Those were chiefly the poorer class of people, you suppose?—I think so.

391. And the persons that would buy it afterwards you suppose to have been the richer class of people, who were tempted by the low prices to speculate in it?—I think so, for this reason. The price would fall to a point at which speculators would go into the market, but they would not be sure at what period they would be able to sell it in China, and therefore only those parties would go into the speculation who were able to hold it till the demand for it revived.

392. Then you infer that the poorer parties who lost their opium, derived no compensation from the subsequent advance of price, but that the advantage of that was derived by richer parties, who afterwards entered into the speculation?—I think that must be the effect of every great change in the course of trade of that kind.

393. Sir *George Grey.*] You consider the opium trade to have been a very uncertain

uncertain one, rendering the parties engaged in it in India liable to very great risks?—Undoubtedly; a very good proof of that is, that at Calcutta various parties have been engaged in it; at one time it has been the rich Baboos, at another time the Jews, at another time the European houses. Every now and then a bad year comes, and it ruins a vast number of those that have been previously engaged in it, and they go out of it, and other parties come in. Any crisis of that kind is accompanied by low prices, and that induces others to go into it.

394. Then a crisis of that kind, though not accompanied with a seizure of the opium, had not been an unfrequent occurrence?—No.

395. Mr. *Hogg.*] Were the parties chiefly engaged in the opium trade opulent natives of India?—Yes; they have changed a good deal at different times. It was in the hands of Portuguese merchants and Jews at one time.

396. Generally speaking, the principal European houses in Calcutta were very little concerned in the opium trade?—Yes, very little; I think they were latterly getting more into it.

397. Formerly had not the principal European houses in Calcutta very little to do with it?—Yes, always much less than the natives and the Portuguese; they have been the principal dealers.

398. And any interference in the opium trade in Calcutta, by European houses, was rather matter of exception?—Matter of exception. Latterly, since the free trade, they have been more induced to go into it, because they have had a larger amount of capital sent out for the purpose of remitting to China.

399. Were not those remittances generally made in the way of advances upon opium?—Yes, by advances on opium and cotton; but there has been such competition for advances, that they have been seldom able to invest the whole amount by advances; and I think the Calcutta houses have usually had authority, under those circumstances, to purchase either opium or cotton, if they were at low prices; and in that way they have made pretty large purchases of those articles.

400. But the usual way of remitting funds to China was by advances?—Yes. I will speak of Dent & Co.'s house. We have been in the habit of sending very large sums, to be returned back again in advances, with a view to get consignments, and to profit by the exchange; but we had very often, indeed, given a low price at which to buy opium, rather than the money should be detained in Calcutta, if we cannot get the money over by means of advances, so that in that way we have become importers of opium when we did not wish it, and when, probably, the object had not been to engage in the opium trade, but merely as a means of getting back our money.

401. Mr. *Horsman.*] Were not the speculations in opium to a greater extent in the year previous to the seizure, than in any former year?—Certainly, because the quantity sold in India was larger.

402. Then the loss consequent upon that seizure would be greater in proportion?—That depends upon the price given for it. I believe that the prices were lower in Calcutta, so that a larger amount of opium might be bought for a smaller amount of money probably.

403. Mr. *Elliot.*] Can you state what was the average invoice price of the Malwa opium, the price at which it was shipped at Bombay?—I recollect that, after the opium was given up, when we were talking over the probable price at which we should receive the indemnity, some data were got together by the Chamber of Commerce, or by some committee, for the express purpose of laying it before Captain Elliot; and I think they agreed that 500 dollars a chest, all round, would be about the average cost in China.

404. The question refers to the cost at which it is shipped at Bombay?—I do not recollect that.

405. You cannot give any approximation to the invoice price as shipped, either at Bombay or in Bengal?—No, I cannot, the prices are so different.

406. *Chairman.*] Can you give any idea of the number of Europeans in the factory at the time of Captain Elliot's arrival?—I estimated about 320, but I am not aware that any list was ever taken.

407. Mr. *Gladstone.*] You were understood to say that you conversed with Captain Elliot on the Tuesday night on the subject of his powers?—Yes. On Tuesday, when my two partners were present, I remember asking him if he felt

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quite sure what he was about; and again, on Tuesday night, when he was writing out the order for the opium to be given up.

408. Did you make known among the mercantile community in Canton the substance of that conversation?—Certainly not; because the order came out the next morning for the opium to be given up. This was a private conversation with Captain Elliot, which I had no object whatever to communicate; in fact I had no time before the order came out. I presume every one could have asked him the same questions on his own account, and I dare say that those to whom he communicated his intention did it.

409. Are you aware whether many persons conversed upon the same subject with Captain Elliot, or took any pains to ascertain the point for themselves?—I do not know.

410. Are you aware whether it was discussed among the merchants whether Captain Elliot had this authority?—It was a great deal discussed after the opium was given up; we were all in such confusion till it was given up, that I think many people were incapable of any cool discussion.

411. Do you know whether any of the parties hesitated about coming into the arrangement, upon the ground of a doubt respecting Captain Elliot's competency to make the arrangement?—I never remember any person making the slightest demur about it. Several days after it occurred, I remember Captain Elliot speaking with me one day about it, expressing a little feeling of misgiving at the moment; and I remember telling him at the time that, as far as I had heard from the merchants talking outside about the thing, I could not find that a single one could point out any other mode that could have been followed, or anything else that was to be done; I believe we were all in great confusion at the time; several of the parties I am sure were quite incapable of sitting down to any cool consideration of what was to be done.

412. Sir *G. Grey.*] Arising from an apprehension of violence on the part of the Chinese?—Yes; we did not know what was coming, even the old residents were apprehensive of what was coming.

413. Mr. *Gladstone.*] Was there, so far as your knowledge extends, an universal and undoubting belief that Captain Elliot's arrangement would be acknowledged at home?—I think decidedly. I do not remember that any doubts were raised at the time.

414. Had the mercantile community in Canton ever seen the Orders in Council affecting Captain Elliot's office?—They had seen the Orders in Council; but they had not seen the instructions published under those Orders.

415. Had the Orders in Council been published in Canton?—Yes; they were published by Lord Napier, and were republished by Captain Elliot himself, in consequence of the newspapers calling upon him to state under what instructions he was acting.

416. Had not those Orders in Council, together with the clause in the China Trade Act, under which those Orders in Council were issued, been a good deal discussed both in mercantile society and in the newspapers in Canton?—They had by the newspapers, I do not know as to mercantile society; but not at the moment when it was a question as to giving up the opium.

417. Had not the English press at Canton arrived at any sort of conclusion with respect to Captain Elliot's powers?—They doubted his powers constantly, inasmuch as they mentioned that they had continually called upon him to show what his powers were, and at one time he republished, I think, the Order in Council, and some part of his instructions, saying that he published as much as he felt himself authorized to do, thereby plainly inferring that he had other instructions which he could not show.

418. You stated that the Canton newspapers expressed great doubts of his powers; were there great doubts as to his powers also among the community, so far as the subject was discussed at all?—I think when his powers were called in doubt, it was by Mr. Keating, and by parties with whom he had got into collision in matters of that kind as to interference in the squabbles of the merchants between themselves, and matters of that kind.

419. If there were these great doubts as to the powers of Captain Elliot, how do you account for the fact that nobody seems to have raised the question upon this occasion, whether those powers were capable of being exercised to such a great extent?—We were all in a state of great confusion, and besides the greater

part

part were incompetent to set themselves to decide a question as to the construction of the law.

420. You were understood to state, that when the opium was surrendered by the merchants it was surrendered with the full confidence that the British Government would acknowledge the transaction?—Yes, certainly.

421. Is it not natural to suppose that that must have been founded upon the conviction that Captain Elliot had those powers?—Yes; nobody could suppose that Captain Elliot, who is a very clever man, could do anything of that kind, unless he supposed that he had authority to do it; that his general authority authorized him to demand the surrender of the opium; I am quite sure that he was as confident of it as I am that I am sitting here.

422. Do you think it was the impression of the community at Canton that Captain Elliot had such powers under the Orders in Council?—No, by the instructions given under the Orders in Council.

423. By something, the detail of which had not been made known to the community at Canton?—Yes; Captain Elliot himself admitted that he had other instructions, which he did not think himself authorized to publish.

424. Mr. *Herbert.*] Then whatever was the doubt as to the power of Captain Elliot among the merchants, Captain Elliot himself entertained no doubt as to his authority to take the opium?—Certainly not; his feelings were evidently too powerful to be controlled at the time I was speaking to him.

425. Mr. *Hogg.*] What course was adopted by the Americans and others, not British subjects, who had opium which they were required by the general order to deliver up?—I am not aware that any other parties in Canton had opium except the Americans, and they surrendered it to Captain Elliot as British property; I believe it really was British property.

426. Was all the opium, either at Canton or at Lintin on board ships, in fact surrendered?—I imagine so; more was given in to Captain Elliot than it turned out that there was in China at the moment, by the mistake which I mentioned; that quantity of opium never could have been made good to Captain Elliot, but from the accidental arrival of that ship to us.

427. Then the American houses surrendered their opium as well as the English?—Yes.

428. They surrendered it as belonging to British subjects?—Yes.

429. Mr. *Gladstone.*] Do you believe that the whole of that belonged to British subjects?—I believe that every chest of it did.

430. That there was no opium owned by Americans in the Chinese waters?—I think there was a little; about 10 chests, which they sent away as soon as they could get means of communicating with the ships.

431. Mr. *Hogg.*] It is your belief that the whole of the opium, both at Canton and on board the ships, was *bonâ fide* the property of British subjects?—Yes, with one exception, where the American houses made out that it belonged to parties in India, as to whom they could not say whether they were British subjects.

432. Was not that an unusual state of things, that the whole of the opium should belong to British subjects, and that there should be no opium belonging to Americans?—Only as regards Turkey opium; they generally have Turkey opium, which at that moment they had not.

433. Was any of the opium surrendered Turkey opium?—I believe not; it may have been Turkey opium that had gone out from this country belonging to British houses, or under advance from British houses, but I am not certain how that was.

434. Mr. *Gladstone.*] What means were adopted for sending away that small quantity of opium which belonged to the Americans?—I am not sure that there was any; but I have reason to think there were a few chests of opium, which were never sent away till after we got out of confinement.

435. Sir *G. Grey.*] Was that comprised in the certificates delivered up to Captain Elliot?—No, not any sent away; I think there was one house that had 10 chests.

436. Mr. *Gladstone.*] The quantity was so minute, that they felt themselves justified in overlooking it?—Yes; and even that quantity I am not sure about.

437. *Chairman.*] Was there any large proportion of the persons who were detained at Canton who had nothing to do with the opium trade?—Yes, a good many;

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many; there were the superintendents, and two of the East India Company's agents; there were six missionaries there, I think Americans; two or three foreign consuls, the American consul, and the Dutch consul, neither of whom had anything to do with it; and there must have been 30 or 40 at least officers of ships and British sailors up there; I think there were as many as 40 sailors belonging to ships there.

438. Mr. *Gladstone.*] Were there any others who were not interested in the opium traffic?—There were the clerks in our offices.

439. Were there not one or two houses that were not interested in the opium trade?—There is Mr. King's house; and there were many supercargoes of American ships there who were not concerned in the opium trade at all.

440. But you are not aware of any other house besides that of Oliphant & Co.?—No, because every other house is a house of agency.

441. Mr. *Hogg.*] Can you state the number of those detained?—I am not aware that it was ever counted up; but I have made an estimate of 320 or 330, out of whom there may have been 30 Americans.

442. Mr. *Horsman.*] Were all the British houses engaged in the opium trade?—Yes, I believe so. There were English individuals that were not concerned in it. There was Dent & Co.'s book-keeper, for instance; Mr. Henry, who had been 12 years in China, and had been trading on his own account, but he had never seen a chest of opium nor had a chest of opium in his life, and he was one of the 16 expelled by the Chinese.

443. Mr. *Gladstone.*] Was there not also Mr. Thom?—He was engaged in Jardine & Co.'s house.

444. Mr. *C. Buller.*] Which house was largely engaged in the opium trade?—Yes.

445. He was a clerk in Jardine's house?—Yes; he had a particular department in that house, the sale of their piece-goods; and he was engaged in no other department whatever.

446. He did not trade in any way on his own account?—I should suppose not; I never heard that he did, or, if at all, in a very trifling way.

447. He was a person that hardly traded at all upon his own account, but he was clerk to one of the houses most largely engaged in the trade?—Yes.

448. Mr. *Gladstone.*] Was not he interpreter?—No. They called him interpreter because he spoke Chinese very well, and was constantly employed in that way gratuitously.

449. Mr. *Colquhoun.*] Did Mr. Henry trade on his own account?—Yes.

450. Was he then connected with you at the time of the seizure?—He was our book-keeper.

451. Then there was no other British firm unconnected with the opium trade?—I think not, because they were all houses of agency.

452. Sir *George Grey.*] Nor any American house, with the exception of Oliphant and King, which was not a house of agency?—No.

453. *Chairman.*] You were understood to state in answer to a former question that there was great doubt in Canton as to the powers of Captain Elliot?—The newspapers had been continually calling upon him for his powers upon such occasions as that of Mr. Keating, and we had had great doubt about his powers. On one occasion Dent & Company wrote to Captain Elliot, as Chief Superintendent, to ask him if he was empowered to take charge of a deceased merchant's property there, who had died, having money belonging to a party in Bombay in his hands. That party at Bombay sent a power of attorney to Dent & Company, to enable them to take possession of the property. That property in the meantime had got into other hands, and we called upon Captain Elliot to take charge of the property, and see that it was properly administered, which he said that he had no power to do. That was a case where we did not know what his power extended to.

453*. Lord *Sandon.*] If he had been a consul he would have been called upon to execute that office?—I have always understood that to be the consul's duty, and we conceived that he could do it, and would do it.

454. *Chairman.*] In the case of Mr. Keating, where he did not enforce the power which he was supposed to have possessed, was that thought conclusive as to his not possessing the power, or was it attributed to reluctance on his part to enforce it?—I do not recollect, for it was impossible to distinguish between what his powers might be, and how far he might think it right to enforce them.

455. Lord

455. Lord *Sandon.*] With regard to the opium, you understood that Captain Elliot had been in correspondence with the Government recently, and therefore you concluded that he might have instructions upon that head?—Yes; I knew that he was in correspondence, inasmuch as I had frequently spoken to him about the dangers that were evidently about to arise out of the opium trade. I told him that I was sure the thing could not go on; and I knew that he felt so strongly upon the subject, that I never doubted that he had communicated his fears to the Government.

456. He never told you that he received any answer?—No.

457. Mr. *Gladstone.*] How long ago had you told him that you were sure that the thing could not go on?—For four or five years past; the last time I was in England I remember more than once saying that the thing could not go on.

458. *Chairman.*] What gave you that impression?—An immense quantity of opium being forced upon the Chinese every year, and that in its turn forcing it up the coast in our vessels.

459. When you use the words "forcing it upon them," do you mean that they were not voluntary purchasers?—No; but the East India Company were increasing the quantity of opium almost every year, without reference to the demand in China; that is to say, there was always an immense supply of opium in China, and the Company still kept increasing the quantity at lower prices.

460. Do you use the word "forcing" in the same way that you would use it in reference to a large supply of cotton goods, or anything else?—Yes.

461. Mr. *Hogg.*] When you say, "the East India Company," you mean that it was opium grown in India?—Yes; I say the East India Company, because I conceive that nothing but a monopoly could have forced the opium in the way in which it was done.

462. Do you speak of all the opium grown in India?—I do; but I think the Calcutta opium has been increasing faster than the Malwa.

463. *Chairman.*] Will you explain what you mean when you say that you think it was impossible to force the trade so rapidly, except through a monopoly?—I think it is nothing but the circumstance of the Company making so large a profit upon opium that could induce them, for so long a series of years, to go on increasing the quantity upon lower prices.

464. You think that nothing but that could bear a rapid fall of price, produced by an increased supply?—Yes, for a series of years; parties engaged in the trade might be induced to go on for a year or two at a loss, but hardly for a series of years.

465. Mr. *Elliot.*] Did not that decreased price still afford a wonderfully high profit?—It is nothing but monopoly that would afford a continued high profit; where there is competition, the profit is reduced.

466. Mr. *Hogg.*] Are you aware that since the monopoly as to the Malwa opium has ceased the quantity has increased?—Yes.

467. And that the increase of quantity has been a direct and necessary consequence of the cessation of the monopoly of opium as regards Malwa?—Yes, that it has followed the cessation of the monopoly.

468. *Chairman.*] You do not know that the increase is produced by that?—No, I do not know that it is produced by that.

469. Sir *G. Grey.*] Are you not aware that an increase was anticipated at the time of the abolition of the monopoly, and a transit tax was substituted for the monopoly?—Yes; but I believe the Malwa opium has been nearly as great a monopoly as it has been on the other side of India, for it has been in the hands of Bahadur Mull, and other men of that description.

470. Mr. *Hogg.*] Did that great increase in the quantity of opium take place as long as the system of monopoly was rigidly observed in India?—I fancy one reason of the Company changing that monopoly was the increase in the quantity of opium that was finding its way through the native states, and through Demaun every year.

471. As long as the monopoly rigidly existed in Bengal, and before there was an open trade in Malwa, was there any considerable increase in the quantity of opium?—No, I fancy not, because the Company prevented that, except as to that portion that went through Demaun; and I think the reason of their adopting the passe system was to prevent that opium going through Demaun; that was gradually increasing, certainly.

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472. Mr. *Gladstone.*] Had the Company a real monopoly over the Malwa opium?—Yes.

473. Mr. *Elliot.*] Were the bills that were given by Captain Elliot negotiable with the American merchants and other persons in Canton?—Certainly not. The shape in which they were drawn out at once destroyed the original agreement under which the thing was done. I was not there when the bills were drawn out; but I never contemplated that they were to be drawn out identifying them with the original opium transaction.

474. The question refers to the first bills?—There were no bills drawn out for the first indemnity; those were mere certificates.

475. Were those certificates sold in the market as negotiable securities?—Certainly not.

476. Why were they not?—They were sold, I know, at Bombay, in the name of opium scrip, but they were sold at a very great discount; but at Canton they were not negotiable, for the plain reason that we were all concerned in it.

477. Why were they sold at a considerable discount at Bombay?—Because the people at Bombay at once threw a doubt upon the whole thing; they denied the power of Captain Elliot to grant them.

Lunæ, 11° *die Maii*, 1840.

MEMBERS PRESENT.

Mr. Brownrigg.	Mr. Horsman.
Mr. C. Buller.	Sir R. Inglis.
Mr. E. Buller.	Mr. Parker.
Mr. Clay.	Mr. J. A. Smith.
Mr. Colquhoun.	Sir W. Somerville.
Mr. Elliot.	Sir G. Staunton.
Mr. Gladstone.	Mr. Strutt.
Mr. Hogg.	

JOHN ABEL SMITH, Esq. IN THE CHAIR.

Robert Inglis, Esq. called in; and further Examined.

478. Sir *George Staunton.*] YOU have, no doubt, seen the volume of Papers printed by order of the House of Commons upon the China question?—I have.

479. In p. 258 of that collection Lord Palmerston appears to have written a letter of instructions to Capt. Elliot, stating "that Her Majesty's Government cannot interfere for the purpose of enabling British subjects to violate the laws of the country to which they trade. Any loss, therefore, which such persons may suffer in consequence of the more effectual execution of the Chinese law on this subject, must be borne by the parties who have brought that loss on themselves by their own acts." Was any communication of those instructions, to your knowledge, made to the British community at Canton?—Never that I heard of; I never heard of such a thing till I saw it in the correspondence. But Captain Elliot evidently applies it entirely to the smuggling operations carried on within the river; and he applied it undoubtedly, not in Lord Palmerston's words, but the sense of it, to the smuggling going on within the river. But as Dent & Co. never were engaged either in smuggling opium or anything else within the river, I never could conceive Captain Elliot's wording of that to apply to them. His wording is so distinct and so plain, and so evidently applied solely to the smuggling within the river, that nobody could by any latitude of construction apply it to Dent & Co.

480. No specific communication was made by Captain Elliot in consequence of receiving those instructions?—Never.

481. Neither in substance nor in words?—Not as applied to the general opium trade without the river.

482. It appears in the same papers, p. 345, that in January 1839, a very strongly worded edict was issued by the Chinese Government against the opium trade, desiring that the receiving ships might leave Canton. Was any notice communicated by Captain Elliot to the British community of this edict, or any instructions

instructions or advice or exhortation that the ships should quit Lintin in consequence of it?—None whatever, that I remember. Similar edicts had very often been issued before, and no notice taken of them. I think he was first called upon to drive away the ships at the end of 1837; and then the Chinese authorities made a communication to him expressly for him to send to Her Majesty's Government here.

483. No warning was given to the British community, or the holders of property, that their persons or their property would be in danger in consequence of not obeying this edict?—None whatever, that I remember; I never remember its being a question by Captain Elliot of the opium ships leaving Lintin.

484. In this Chinese edict a threat was made, that unless the ships quitted Lintin the whole of the legitimate trade would be stopped; were any measures taken by the Chinese authorities to put that threat into execution between the issuing of that edict and the arrival of Commissioner Lin?—None whatever, that I recollect; that threat has been repeated certainly from time to time ever since 1820; and it has been laid down over and over again by the Chinese authorities that the law of the country was, that if foreigners did not obey their edicts, the trade was to be stopped to enforce it to be carried into effect.

485. Mr. *E. Buller.*] A distinction has been made between the licit and the illicit trade; do you know enough of the Chinese law, to say whether any foreign trade is according to the laws of China?—I hardly know what the laws of China are; they have been translated, but we never paid any attention to any law in China, that I recollect; I certainly know of none which has ever been entirely acted upon, not one.

486. Are you not aware that the general tendency of the Chinese law is the prohibition of foreign trade?—It was originally, I presume, but I should doubt whether that is the case now.

487. Are you aware of any law which has altered that former law?—No, I am not; I have not a notion of what the laws relating to foreign trade are. When Sir George Staunton translated the laws of the empire, I believe there were not above one or two relating to foreigners; since that there have been other compilations of the Chinese laws, and I believe that some laws relating to foreigners have been incorporated into those, but I cannot speak with certainty; I have never seen a translation of the addition to the code of which a translation was published by Sir George Staunton, and I doubt whether the foreign traders at Canton ever troubled themselves much about the laws of China, for they had neither the benefit of them, nor of any other laws, that I know of.

488. Mr. *Gladstone.*] Was there a meeting of the foreign community after the arrival of Captain Elliot at Canton?—Yes, there was a meeting; I do not know whether it was the Chamber of Commerce or a committee of the people engaged in the opium trade; but there was a meeting, at which they signed a declaration that they would not trade any more; that, I find, was done on the Monday.

489. Was there any general meeting, or any general resolution, with reference to the delivery of Mr. Dent, after Captain Elliot came to Canton?—No; it became known, I think, some time on the Monday afternoon that Commissioner Lin no longer made it a question of Mr. Dent; he said, that Captain Elliot had taken the responsibility upon himself, and therefore Mr. Dent was no longer in question.

490. Was the previous meeting at which it was determined that Mr. Dent should not go into Canton attended by other foreigners than partners in firms?—The meeting was at Mr. Dent's own house. I believe it was first at the Chamber of Commerce, and then the Chamber adjourned to Mr. Dent's own house on the Saturday morning, and I should say that in the course of that day every member of the foreign community was in the house at one time or another.

491. Were they all understood to be parties in any way to the resolution, or did they come merely as spectators?—At the time when the mandarins came to the house to take Mr. Dent, all the foreigners who were there adjourned into another room to consider the matter, and the room was as full as it could hold. I should say that nearly the whole of the foreign community were there at the time.

492. Not only partners in firms but others?—Nearly the whole community

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then, and I think there was not one dissentient to the resolution that Mr. Dent ought not to go into the city.

493. At what valuation was the opium delivered to Captain Elliot?—At none; it was left to be decided afterwards. There was a valuation for the opium given up to supply the deficiencies to make up the 20,000 chests.

494. At what valuation has the claim upon the British Government subsequently been fixed?—I think there was a meeting during the time we were in Canton, but long after the opium had been delivered up; I think some of the merchants met together to consider what would be a remunerating price for the whole of the opium that had been delivered up, taking an average price for the old opium and the new, the Malwa and the Bengal opium; I think they made it out to be 500 dollars a chest.

495. Will you explain more specifically what you mean by a remunerating price?—I mean a price to pay the cost, and the charges of bringing the opium to China; in fact, what it had cost to the proprietor at the moment that it was given up to the Commissioner.

496. Mr. *Brownrigg.*] Exclusive of any profit?—Yes.

497. Is your memory sufficiently alive upon the subject to enable you to state that that valuation did not comprise any profit, but merely the original cost, with the charges?—Yes.

498. Mr. *Gladstone.*] Is your memory sufficiently fresh upon the particulars of that valuation to enable you to state the elements of those 500 dollars per chest?—No; I was not present, or probably never gave much attention to it; it was a thing to be decided, I conceived, by the Government here. I did not suppose that the Government would consider themselves bound by a committee of that kind; it was merely to give the Government all the information that the consignees of the opium possessed.

499. Can you state how great a proportion of the 500 dollars formed the profit of the Indian Government, and went into the Indian revenue?—No, because I could not state the first cost of the opium; some of it was opium of one year and some of another; some may have been two years old; some from Malwa and some from Bengal.

500. Cannot you even approximate to it?—No, I could not without a long calculation. In one year the sale of opium in Bengal alone was supposed to give nearly two millions sterling profit to the Company; but that was the year when, I believe, they sold their opium at the highest price.

501. In Bengal, exclusive of Malwa?—In Bengal, exclusive of Malwa.

502. Mr. *Hogg.*] Upon what return or upon what grounds do you make the statement of the profit of two millions, and to what particular year do you allude?—I think it was the year 1837; but, upon recollection, I think the whole sales were two millions sterling.

503. Is whatever information you have upon the subject derived from statements in the newspapers?—I recollect something being published in the Chinese Repository in China, collected from Indian documents.

504. Do you speak from official documents which you saw returned by the Bengal Government?—No.

505. Are you aware whether those two millions were the gross profits or the gross proceeds?—I think it was the gross proceeds.

506. Mr. *E. Buller.*] Do you recollect the price of opium at the time this opium was delivered up?—At the moment it was delivered up there could have been no price. If there was a price anywhere, it would be upon the coast, and there it would be nearer 800 dollars than 500; but that would not do for the whole of China.

507. Can you speak as to the latest prices published in the Canton Register?—I could ascertain that from the price-currents.

508. Mr. *Brownrigg.*] What is the highest price you ever remember having paid at the Company's sales in Calcutta?—I do not know; I never was at the Company's sales in Calcutta. My business was with the opium as it came into China.

509. Mr. *E. Buller.*] Can you tell the average price at which it used to sell in Canton?—It has sold, to my knowledge, at from 2,000 dollars a chest down to 450 or 460 dollars. The extreme highest price may have been the year before I arrived in China, when it was even higher; I am sure of this fact, but I am not justified in saying I recollect it.

510. Can you state, with reference to the transactions that your house had in opium, what was the price received for the opium?—No, I cannot; but we had some

some opium sold upon the coast about the time we were giving up the opium in Canton; I cannot say what the price was, but I think it was nearer 700 or 800 dollars than 500. I can speak to our having sold opium, after the opium was delivered up, for 600 dollars, to an Englishman, now in this country.

511. Sir *R. Inglis.*] Do you know what the premium of insurance is upon opium from Calcutta to Canton?—It is 2 ½ per cent.

512. You have stated that you were never personally present yourself at Calcutta at any sale of opium?—Not at any sale. I have known the prices of sales, because we had always the invoices of opium, with the cost price in them. I think the opium was supposed to have cost the Indian Government about three rupees a seer. They sold it at a much higher profit than that. It has never been my vocation to know what profit the East India Company made in India.

513. The object is to have what the profits were in China, after the Indian Government is supposed to have made its profit?—They varied from year to year. I have known the price vary in China myself to a very great extent. It has gone up nearly a hundred dollars a day for a few days.

514. Mr. *E. Buller.*] Can you state the greatest difference which you have known between the invoice price at Calcutta and the price at Canton?—No, I cannot state that; it is very difficult to give an answer to that, because the prices at Calcutta, after a sale, would often rise very materially; so that the average of the Company's price for any one season would by no means indicate the price at which the shipper of opium sent it on to China.

515. Mr. *Brownrigg.*] In the course of your experience have your ever known any material loss occasioned by speculators in opium?—I should say that there have been more losses than gains, while I have been in the trade, decidedly; and I think I can say, almost from my own experience of it, that there has been more money lost than made in China, in the opium trade, until lately. Within the last year or two there has been undoubtedly a good deal of money made; but prior to that time I hardly know three people that ever left China with fortunes made in the opium trade. On the contrary, it was most notorious that all those who touched the opium trade lost by it, except those three.

516. *Chairman.*] Were not there some large fortunes made by Americans in the opium trade?—There was one American gentleman, who was formerly connected with the house to which I since belonged in China, who made a large fortune, which was supposed to be chiefly from the opium trade.

517. Sir *R. Inglis.*] Will you look at the paper now shown to you, containing the monthly report of the Calcutta market, dated Calcutta, 31st October 1839, and where you will see the following passage in the third page, headed Opium: "In the early part of the month the market was dull, consequent to the absence of intelligence from China, and the transactions which then obtained were the purchase of 10 chests of Patna, at Company's rupees 410 per chest: the arrival of the Nymph towards the close of the month, with advices of the successful prosecution of smuggling on the coast, gave impulse to operations, and purchases to some extent have been effected at prices from Company's rupees 429 to 455 per chest; the present quotations of the market are, of Patna, Company's rupees 430 to 435, and of Benares, Company's rupees 440 to 445 per chest. The first government sale of season 1839-40 will be held as usual in the early part of January next; the drug at this sale will be put up at the upset price of Company's rupees 400, about the cost to Government, and at the subsequent sales at rates as may be previously determined upon. The quantity on sale is about 18,932 chests, which includes 1,900 chests of last year." Does this passage bring to your recollection the general prices of opium in the market of Calcutta, and the general character of the transactions as understood in Calcutta?—This is subsequent to the 20,000 chests being taken by the Chinese; but this is a price I never heard of before. It was a very natural consequence, I conceive, of 20,000 chests being taken; that is no sort of guide, I conceive, to anything that ever occurred before.

518. Mr. *E. Buller.*] Is the price there stated an unusually low price?—It is an unusually low one in Calcutta; 429 rupees is a price unheard of before the delivery up of the 20,000 chests of opium; I never heard of a price like that; I should think the average of the Company's sale prior to that must have been upwards of 800 rupees a chest.

519. *Chairman.*] This was the state of things which you alluded to in your former

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former examination, when you stated that many persons previously engaged in the trade were ruined, and that fresh persons were tempted into the trade in consequence of that fall of price?—Undoubtedly it was a price that people could quite calculate upon; everybody knew that seizing 20,000 chests must make a fall of this kind.

520. Sir *R. Inglis.*] Did not you state that you had known the price of opium vary from 500 to 2,000 dollars?—Yes.

521. Are the Committee to understand that that which was sold in China sold at a loss of the difference between 800 and 500?—No, the opium delivered up in China was some of it bought at much higher average than this; I cannot say at what prices, because a great deal of it was opium of the year preceding; some of it may have been what we call in China "old old opium," for we often had opium that was two seasons old. I have known opium kept four or five years before it could be got rid of, because it had been bought at a very high price indeed, and opium bought in subsequent seasons came in at a much lower price, and therefore the holders of the first opium held on in hopes of an advance of price.

522. Mr. *E. Buller.*] Does opium sold at Calcutta for 800 rupees a chest frequently sell in China for 800 dollars the chest?—It may do that; that which was not delivered up to the Commissioner may have sold, I have no doubt, at that price. There is a person here now who made 200 per cent. upon the purchase of opium at Singapore, which came up to China after the delivery of the opium.

523. Then the profits of the opium trade were very high?—They were sometimes very high, and sometimes very low; I have known people totally ruined by it. There is an instance of a gentleman now living in China, at Macao, who, many years ago, was totally ruined by fluctuation in price; he lost a large fortune in it.

524. To what would you attribute the great fluctuation in prices?—Sometimes in India, for instance, we have had a report from Malwa of some 6,000 or 7,000 chests more coming on in the season than had ever come on in any season before from Malwa; it perhaps has not turned out eventually that so much did come; but that report has immediately operated upon the market to a most fatal extent.

525. Have those losses and variations in price ever arisen from the acts of the Chinese government?—Of course every temporary stoppage of the trade, occasioned by the mandarins, probably to enhance their own squeezes, had the effect of altering the price.

526. The parties engaged in that trade were glad to do it, with the prospect of very high profits, and sometimes they were subject to great losses?—Of course it was, in its very nature, a very gambling trade; of course every one who went into such a trade must be prepared to meet large losses.

527. Mr. *Colquhoun.*] Those extreme fluctuations were not felt in the cotton or linen trade?—Not such violent fluctuations. The opium trade is more like the stocks, or things of that kind, in this country. A mandarin going up to Pekin, for instance, would make a rise in the price of opium, because there has been 100 or 200 chests supposed to be carried up smuggled in his baggage; and you will find, in the price-currents, things of that kind stated as reasons for a rise of price.

528. Sir *R. Inglis.*] Can you supply the Committee with one of the price-currents containing that statement?—I have no doubt I can, even since 1836.

529. Mr. *Colquhoun.*] It being understood to be with the participation of the mandarin?—I cannot state that; but a mandarin travelling through the country, his baggage is not searched by the custom-house, and his attendants may take the opportunity of smuggling.

530. Mr. *E. Buller.*] Has the same fluctuation applied to any other article of import in China?—No; the opium was a notoriously gambling trade.

531. Mr. *Horsman.*] Was the risk of losses, from the stoppage of the trade, all confined to opium, or did it apply equally to all other articles of trade?—When there was a general stoppage of the trade, it, of course, applied to everything; but what I alluded to is the stoppage of the delivery of opium; that is, every now and then the mandarins would go down to Lintin, and persecute the smugglers, and then they would all vanish for a time; sometimes for a whole month they would scarcely deliver 20 chests of opium; and sometimes the persecution would be so strong, that the vessels there could not sell opium for a month together; and, of course, competition made the prices go down directly.

532. Mr.

532. Mr. *Brownrigg.*] From your own experience can you state whether these great fluctuations in the price at which opium was sold in China existed anterior to the opening of the trade?—Yes, at all times.

533. They were equally great before as after?—Perhaps, latterly, they may have been more frequent, but not greater than in years before; but they have been more frequent as the persecution increased; perhaps that is a wrong word to apply to it, but that is the word commonly used there.

534. Mr. *Gladstone.*] Would you not describe a portion of this risk in carrying on the trade to the fact that the cultivation of the poppy is precarious?—The crop is precarious; but in the Malwa opium there were immense fluctuations at all times, because the trade in opium in the Malwa country was a matter of monopoly, and it often happened that, in China, we could not tell till the first Malwa opium arrived, either the supply of it for the season, or the probable price of it; and when the first arrival has come, I have known a ship to be there four or five days before we knew what she had got on board; and in those few days the prices would be quite nominal, and they would vary to the extent of 100 dollars a chest. There would not be much actually sold or bought, but the nominal prices would fluctuate considerably.

535. Mr. *Brownrigg.*] Does that fluctuation apply to the period when the Company had the monopoly in Malwa, or to the period when they threw it open by permitting it to pass through the territory, paying a duty?—Even then there was always an uncertainty what quantity might come through Demaun. There was always an uncertainty attending it, till we got the first arrival of the new opium in China.

536. Mr. *Hogg.*] That uncertainty was much greater after the pass system was resorted to?—Much greater; we had never any means of ascertaining what the crop was in Malwa till the opium actually arrived in Bombay.

537. Mr. *Colquhoun.*] In your former examination you stated that the condition of the foreign community at Canton, before the arrival of Captain Elliot, was one of duresse, but that the provisions had not been withdrawn, nor the servants removed; and you mentioned that you yourself and the older residents there were less alarmed at the state of matters than those who had more recently arrived in China. That was owing to your experience that such transactions had not been altogether unprecedented in China; that the Chinese government had, on former occasions, as perhaps you may remember, in the year 1830, applied very strong coercion to the then foreign community in Canton?—Yes; I was not there at that time; I had left China a few months before that commenced.

538. And that on that occasion they had gone so far as to withdraw the servants and stop the provisions?—Yes.

539. On that occasion you may have heard that the supercargoes expressed it as their opinion that such proceedings could only be met on their part by decided resistance, and that such resistance was on that occasion applied?—Yes.

540. Do you think it possible that had similar vigorous measures been resorted to upon the present occasion, the threats and intimidation of Commissioner Lin might have been restrained within narrower bounds?—Undoubtedly; had we had the Company's supercargoes there, they would have fought the battle far better.

541. That is to say, if there had been sufficient force to present a formidable aspect to the Chinese government, and sufficient vigour in managing that force?—Yes; I think if the East India Company's monopoly had still continued, and their factory had been there, this never would have happened.

542. It would not have happened, as you apprehend, because the supercargoes would have been backed by a superior force, and they would have exhibited greater energy in their proceedings?—They would have been united, which the foreign community scarcely ever were; for since the opening of the trade, having a British Superintendent there, we of course looked to him to fight our battles for us in any question of that kind; had we been left alone, I presume the same necessity, which has originated all government, would have forced us, in spite of our differences of opinion, to have united against the common enemy, the Chinese; but as we had a Superintendent there to do that, as we conceived, for us, we trusted of course to him for it. We were taken suddenly unawares, and it was impossible for us to unite together in any common cause; nor had we any head to whom the rest would choose to submit.

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543. And you naturally looked to Captain Elliot, as representing Her Majesty's Government, as the person who was to originate whatever measures of resistance were to be resorted to?—We naturally supposed that, as Superintendent of the trade, it came within his duty to protect the trade.

544. You said that Commissioner Lin's proceedings, as you afterwards saw, were of a very violent character?—Yes, subsequently.

545. But your impression was, when he came to Canton to fulfil the orders of the government, that those orders would have been satisfied by obtaining, even upon the terms of paying for it, a considerable quantity of opium?—That was my own impression, but I think not the opinion of the greater part of the community.

546. The opinion of the greater part of the community was, that his determination was to obtain the whole of the opium?—Yes.

547. But you mentioned that it was unexpected to him to obtain so large an amount as 20,000 chests?—I do not think he ever expected to get that amount.

548. You think he would have been satisfied if he had obtained a smaller amount?—I think that was the opinion of the Hong merchants.

549. Judging from past circumstances, to which you have already referred, is it your opinion that if a different course of proceeding had been adopted by the authority at Canton, Commissioner Lin might have been satisfied with a less amount of opium?—No. That was my impression at first; but from what passed afterwards, when the Hong merchants tried that experiment with the thousand chests, it then became apparent that he would have the whole amount of opium. He said he knew there were at Lintin several 10,000 chests, which at least implied two 10,000's. He said, in the original edict, that he knew that we had several 10,000 chests, and that it was of no use to give up a part of the opium and to send the rest away, that he must have the whole of it. And from what we have seen since, it appears that we ought to have put more faith in that edict than we did at that moment. But as it is a common thing in the Chinese to demand more than ever they intend to be satisfied with, my impression was that they would be satisfied with less, and that was the opinion of the Hong merchants.

550. But the fact is, that before Captain Elliot came, your provisions and servants remained with you; you were merely restrained from departing; and the fact is, that in 1830 the provisions and servants were stopped, and there was a threat of an armed force entering the factory?—Yes; I remember that Mr. Dent laid in a supply of provisions on Lin's coming down, because he thought it probable that he would pursue some such measure as was done in 1830.

551. He recollecting the case in 1830, laid in his provisions, because he thought they would be required by the persons in the factory as they had been in 1830?—Yes; and I think it likely that one or two others of the old residents there had done the same thing.

552. In 1830, were not the threats put a stop to, and the foreign community at Canton liberated, by the arrival of a very small force at Canton?—I think the factory at Canton would have gained the same point even had that force never arrived, by their own energy and their own ships.

553. You are aware of the fact, that the factory called up an armed force to Canton, and that subsequently to the arrival of that armed force the threats were removed?—Yes.

554. Would you not infer that had a similar course been pursued upon the present occasion, similar results would have ensued?—I conceive that if the slightest check had been given to the Chinese a few years ago, this business never would have happened; I consider that as certain as I can consider anything upon which I have not positive grounds of knowledge.

555. You said that you would not have given up the opium without a guarantee from Captain Elliot?—Certainly not; nor would I have given it up to the Chinese under anything short of starvation, without some security.

556. You said that you would have made a struggle, and made the best terms you could with the Chinese?—Certainly.

557. Mr. *Elliot.*] You were understood to say that you were under no alarm for your personal safety until the arrival of Captain Elliot?—The alarm rather ceased when Captain Elliot arrived than otherwise.

558. You were understood to say that you, who were an old resident in China, had

had no personal alarm regarding your life, or any serious violence, previous to the arrival of Captain Elliot?—Captain Elliot's arrival relieved us all. I believe that every foreigner in Canton went to bed more tranquilly the night of his arrival than he had done several nights before; certainly all the British subjects did. I am not certain but that the other day I may have led the Committee to suppose that I considered that the alarm of the foreign community was greater after his arrival than before; but if I said that, I said what I perhaps am not justified in saying.

559. You yourself were not under any alarm of personal violence before Captain Elliot's arrival?—Certainly not, or I would not have gone into the city.

560. The alarm that existed was amongst those who were less acquainted with China, but not with the older residents, who were more accustomed to the country?—There was no alarm on the part of my partner, Mr. Dent, and myself; but that was not the case with others.

561. Were you a party to a memorial addressed to Lord Palmerston in May?—Yes.

562. In that memorial this paragraph occurs: "We feel it our duty to express to your Lordship our deep sense of the public spirit which induced this officer," meaning Captain Elliot, "at no inconsiderable risk, to endeavour to rescue British life and property from a position of fearful jeopardy, and we may assure your Lordship that but one feeling existed of the extreme peril of the whole community when he succeeded in forcing his way to Canton, and took charge of all responsibility in the negotiations with the Chinese government." That is a paragraph in the memorial?—It is.

563. Will you reconcile these very strong expressions, in which you say that but one feeling existed as to the extreme peril of the whole community, and in which you speak of his having endeavoured to rescue British life and property from a position of fearful jeopardy, with the feeling which you now seem to entertain, that you were under no apprehension of personal violence?—I must explain, in the first place, that Mr. Dent and I had two other partners at that time, one of whom was Mr. Braine, who had most to do with the opium department, and who had been in China only a few months, and had never seen any such transaction as that before; and I had another partner, who had only just joined the house. It was Mr. Braine, by the bye, who did everything relating to the opium, and who attended the meeting at which the memorial was got up.

564. *Chairman.*] Had you quitted China when the memorial was prepared?—No, I was in China when that memorial was signed.

565-6. Mr. *Elliot.*] You did not object to the memorial?—No, not as an individual; besides, when I say that I had no personal alarm on those days, I only speak of what was occurring on those days; but it was impossible to say what the thing would have come to had we been left to ourselves, and subjected to the will of Commissioner Lin. I think subsequents have shown that I was wrong in my feeling of security, and that the mass of the community were right; I think the subsequent conduct of Commissioner Lin evidently shows that there was more danger attending these transactions than has been the case upon any other occasion in which we have come in contact with the Chinese; since that I have been led to think that I was wrong, and that the rest of the community were right.

567. *Chairman.*] That memorial was signed by the firm of which you were a member, not by yourself personally?—Certainly there were members of that firm who had not been long in China; and upon matters of that kind it would be impossible for any Englishman to come forward and say, "I have no personal alarm, and therefore I will not sign the memorial."

568. Mr. *Elliot.*] You will observe that is one very strong expression: "And we may assure your Lordship that but one feeling existed of the extreme peril of the whole community"?—That may be going a little too far; that was written in May, when we had had much longer evidence of Commissioner Lin's proceedings, and of the length that he was prepared to go. If I had been required to sign my own name to that I might have hesitated.

569. After a certain time had elapsed, may not your impression as to the peril you were in at that time have been stronger than you say it was at the moment?—It was much stronger, because at the time I had no fear of personal violence; but at the same time, it was impossible to say what length they might go to. At the moment I am speaking of Captain Elliot had not arrived, and we had

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no protection whatever; we were disunited; we had no head to fight the battle for us, and we had no earthly means of resistance.

570. May the Committee consider that the sentiments contained in the memorial signed by you and the greater part of the respectable persons at Canton, may be regarded as giving a true picture of the real feeling of the community at that time?—Undoubtedly; I think, moreover, that Captain Elliot, who is a person who would not say anything that he did not believe to be true, states as a reason for giving up the opium, the alarm of the community; I do not suppose that he asked me individually whether I was alarmed or not, but he took the general sense of the community, and judged by what he saw of the state of alarm of the community generally; and that was one of the grounds upon which he gave up the opium; and I take it that his authority, in a matter of that kind, is better than my own individual feelings.

571. Do you think that any inference could be drawn as to what would have occurred under the government of Commissioner Lin, by comparing it with what happened at any previous period during which you were in China?—I may probably have involved myself in some little contradiction, from having the other day told the story, as nearly as I recollected, of what my own feelings were at the moment the transactions were going on, but which have altered very materially since; so that at one time I know I may have spoken according to my feelings at this moment, and at another I may have spoken according to what my feelings were at the time.

572. Do you think that any inference can be drawn from what has been done at periods previous to the arrival of Commissioner Lin at Canton, and the edicts that have passed during those periods, as to what would have happened under the government of Commissioner Lin, armed as he was with extraordinary powers, and acting in the extraordinary manner in which he has certainly done?—The whole transaction has shown the Chinese in a character that I must confess I never viewed them in before. I had no conception that it was even the policy of the government of China; it is certainly not the character of the present Emperor to do what Commissioner Lin has done.

573. Do you think that by comparing what took place in 1830, or any previous year, with the circumstances that took place at Canton at this time, any inference can be fairly drawn as to what the result of a different line of conduct on the part of the Superintendent, or any British authority, would have been?—Certainly not; I think it is quite impossible to say what might have happened had Captain Elliot not interposed.

574. *Chairman.*] Are the Committee to understand you to say, that your sense of the danger you incurred previous to Captain Elliot's arrival has been much increased by your knowledge of Commissioner Lin's subsequent conduct?—Certainly. Prior to that transaction the Chinese always showed wonderful caution as to injuring the life, or even the property of foreigners; notwithstanding what their threats may have been, in practice they never put either the life or property of foreigners in jeopardy. Commissioner Lin has done this since. He has put both in jeopardy; and we have at this moment reason to believe that the cruelty exercised towards Mr. Morss was sanctioned at least by Commissioner Lin, if it was not done by his order. Now, I never recollect a thing of that kind occurring before.

575. Mr. *Gladstone.*] What evidence is there to that effect?—Nothing but that the boat was said to be a mandarin boat; at first it was said that they were not mandarins at all, that it was done by pirates. But I think the evidence goes to show that it was sanctioned certainly by the Commissioner.

576. You said that it was a mandarin boat?—It was stated by Mr. Morss himself to be a mandarin boat.

577. How is a mandarin boat known?—By the insignia, the lanterns, and flags upon it, and the dress of the mandarin boatmen.

578. What would be the rank or quality of a mandarin commanding such a boat?—Very low, I imagine.

579. For the sake of explanation, can you give the name of any officer in this country whose rank you would compare it with?—No, I would not venture upon that; great mistakes are constantly made in trying to compare officers there with officers of equal rank in this country; for instance, when we talk of a Chinese admiral, I have no conception that a Chinese admiral ought, for a moment, to be ranked with Sir Frederick Maitland.

580. What

580. What is the meaning of the word mandarin?—It is a Portuguese word, which is applied to every officer from the Governor down to a tidewaiter.

581. Have you any evidence upon the subject of the seizure of that boat, and the murder of the crew, except the declaration of Mr. Morss?—None whatever.

582. Mr. *Hogg.*] Is not it usual for pirates in China to assume the appearance of mandarins, and to fit up their boat as a mandarin boat when they are committing piracies?—Undoubtedly they do it; I could show Chinese evidence of that.

583. Are you aware whether Captain Elliot has himself expressed an opinion and belief that the murder of Mr. Morss was effected by pirates, and not by the order of a Chinese authority?—No, I know nothing whatever upon the subject but what I have seen in the public correspondence. I see that some of the Canton merchants and the editor of one of the papers thought at the time that it was done by pirates under the disguise of mandarins.

584. Were you rightly understood to say that your apprehension of violence and danger from the Chinese authorities is founded upon subsequent events, and did not exist at the time when the occurrence itself took place, that is, at the time of your duresse, before the arrival of Captain Elliot?—Certainly, myself personally, I had no apprehension, and, therefore, at the time I would have gone into the city.

585. The only apprehension that you have that there was danger to the person or property of any foreigner, is founded upon the subsequent events?—Yes; I now think that had Mr. Dent gone to the city, he would have been in much more danger than I apprehended at the time.

586. Mr. *Elliot.*] But your opinion at that time was not the general opinion among the foreigners?—No, certainly not. A man residing a number of years in China may form an opinion from a vast number of little events which he cannot explain to others, and he may form a wrong opinion.

587. Were there a good many other persons who had been in China as long as yourself?—There was one gentleman that had been there longer. I think Mr. Matheson had been there upwards of 20 years. Mr. Dent and myself had been there about the same time.

588. Is not Mr. Matheson's name subscribed to that memorial to Lord Palmerston?—I believe it is.

589. Then other persons who had been there a number of years were not so little impressed with the danger as you appear to have been?—They were more impressed with the danger. The greater part of the firms signing that have all been established since the opening of the trade. Many parties belonging to them had resided a very short time in China, and they naturally were alarmed. I may mention that Mr. Astell, the East India Company's agent, was not by any means so alarmed at the moment as the other agent was, who had just arrived in Canton the night before we were shut up. I am not aware that Mr. Astell showed any alarm at all.

590. Sir *George Staunton.*] Allusion has been made to the transactions of 1830; were the strong measures of the Chinese at that time at all similar to the measures adopted by Commissioner Lin?—I left China for India in October 1829; the business had begun then, but I was not in Canton during the latter part of those proceedings.

591. They were alluded to as if they were something similar to the proceedings upon this occasion; can you state whether that was the case or not?—I recollect Mr. Dent giving as a reason why he had laid in provisions when Commissioner Lin came, that he did it because he had profited by the experience of 1830.

592. Were the British community placed under duresse and confinement in 1830?—I cannot say.

593. You do not know that they were so?—I think not.

594. Is it within your knowledge that anything similar had ever taken place in the history of our intercourse with China?—The servants have been taken away; they were taken away in Lord Napier's time; but I never recollect the foreigners being shut up in Canton. I was not there when Lord Napier was there. I never was in Canton myself when anything of the kind occurred; I never remember any foreigners being shut up in Canton.

595. That confinement took place previous to Captain Elliot's coming to

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Canton?—Yes; all communication was cut off, even by land, previous to his coming.

596. And you were, practically, as much confined as if you had been in prison?—Yes; there was an order from the Kwang-chow-foo saying that pending Commissioner Lin's proceedings the foreigners were interdicted from leaving Canton.

597. And that was not a mere matter of form, but it was a practical confinement to Canton?—A practical confinement.

598. You could not have escaped?—No; I should have escaped if I could, because I had part of my baggage on board already, and all the rest of it packed up to put on board the boat to go to Macao; but I found that I never could get away, even before that order was issued; I could not get my pass, and I was sure there was something coming, and it was that which made me go to Howqua to ask whether he meant to keep me or not.

599. Although you had the range of the factory, you were, practically, as much confined as if you had been within the walls of a prison?—Certainly.

600. Allusion has been made to the servants being taken away; it is not the custom for foreigners to bring servants of their own with them to China?—No; generally they have Chinese servants.

601. Therefore the taking away the servants is in fact a very great grievance?—Certainly.

602. Because it obliges gentlemen to perform the most menial offices?—On this occasion I may mention what became a great inconvenience, and would have become a means of sickness to us, had it continued, and that was the inability to get our places cleaned; it may easily be conceived what that would be in Canton, in a large community confined in a very small space, and a great number of people living in the same house; the inconvenience of that was becoming intolerable, till at last the Hong merchants allowed it to be remedied; and it may be considered a very insulting act to place a number of persons, of the rank of gentlemen, in so humiliating a position. I may mention, that when we did get back our servants, every person in our house went away the day the house was cleaned, it had become so intolerable from the collection of dirt during seven weeks.

603. Mr. *Gladstone.*] In point of fact, how were the meals prepared, and the ordinary offices of servants discharged?—We had 30 or 40 common sailors shut up with us, they were distributed amongst the Europeans, and though they broke everything in the houses, still they kept the kitchens clean; and then the Parsees behaved remarkably kindly to us; they had their Parsee servants, and their Parsee cooks, and they made their servants available for those who were not equally fortunate.

604. What number of Parsee servants may there have been in the factory?—I do not know; but every Parsee has Parsee servants.

605. How many Parsees were there?—I think there must have been 50 at least.

606. What was the number of native servants who were removed?—I cannot say; but a great many; because we have a great many servants there, as is usually the case in the East; not so many as in India, but still a great many.

607. Mr. *Brownrigg.*] Each individual has three or four, has he not?—No; every individual has one servant to wait upon him; and then we had a vast number of Coolies, who are engaged in carrying about the dollars, as all our payments are made in hard cash, and they were all taken away.

608. Of domestic servants, do you suppose that there were 200 or 300?—I cannot say, but there were 200 foreigners, and there must have been 300 servants taken away.

609. Sir *G. Staunton.*] You stated that your own opinion was, that Commissioner Lin intended to pay for the opium?—I thought so from the wording of his edict.

610. But that he did not contemplate obtaining so large a quantity as 20,000 chests?—I thought not at first; we never put entire faith in the edicts; and in this instance we did not put so much as I now think we ought to have done; for

he worked it out as I never knew an officer of the Chinese government to carry out the orders in any edict that he issued.

611. From the information you have obtained since, you are not of opinion that any other course could have been safely pursued than that of giving up the opium?—Nobody, at the time, could see any other course that could be taken.

612. Without compensation?—Certainly not.

613. Though you originally were of opinion that compensation might be obtained, yet now, looking back upon the transaction, you do not think it could have been obtained?—I do not know; I spoke only with reference to Dent & Co. in particular. When Mr. Dent talked of going into the city it was under the impression that he might make, as it were, a bargain for Dent & Co.; but I never thought that that bargain would be extended to all the rest of the community, because I think it extremely likely that the Chinese intended kindly to Mr. Dent, and that they would not have done the same with all the rest of the community.

614. You stated that it was rumoured that Mr. Matheson would be the next person taken?—That was the report among the Chinese that Mr. Matheson would go next, and then Mr. Turner, and then another.

615. In short, that the measures would be followed up till the whole of the opium was obtained?—Yes; I was inclined then to think, that had Commissioner Lin been able to carry out his own measures, he would only have allowed to remain in China such persons as he liked, and have taken means of banishing such as he did not like; that was my impression at the moment.

616. You stated that the supposed object of requiring Mr. Dent's presence in the city was to work upon his feelings, and also to intimidate him?—That was my own impression; probably that might not be the opinion of a great part of the community; it was my own opinion.

617. But not that there was any idea whatever of putting him upon anything like a trial for breaking the Chinese laws, or anything of that kind?—No; we understood that Commissioner Lin had rooms prepared for him, that he had got a cook, a Chinaman, who had been employed as a cook in an European house, and it was supposed that this was for Mr. Dent, and that they were going to keep him there for some time. And my own impression was, that he would be brought every day before Commissioner Lin, and that they would try first to coax him out of his opium, and that failing, then they would not have proceeded to hurt him immediately, but they would have tormented the Hong merchants before him; they would have brought them in with chains, and made them kneel before him in chains; and that they might even have threatened to put them to death, to try to induce Mr. Dent to give up his opium. And I would not say but that with a person of Mr. Dent's kind heart they might possibly have succeeded, where with others they would not.

618. Mr. *Gladstone.*] When you speak of torment, do you mean mental torment or physical torment?—It would have been mental torment to Mr. Dent, but physical torment to the Chinese.

619. Sir *G. Staunton.*] It is clear, however, that the object of bringing Mr. Dent into the city was not for the purpose of putting him on trial upon a charge of smuggling, as might have been done in this country, and examining witnesses and punishing him for smuggling?—I think not. I think the Commissioner believed that he would get the opium out of him without proceeding to personal violence. With respect to Mr. Dent, I think it is likely he expected that he would get him to sign that bond; and supposing he had done that, my impression is that he would have released Mr. Dent with great applause, and that then the Hong merchants would have been ordered to load all the ships with tea, and that the Hong merchants would have been ordered to pay him for his opium by some process or other, either by tea or by instalments during a series of years.

620. With respect to the bond, it appears by the papers printed by the House of Commons, that Captain Elliot declared that he considered that bond of so atrocious a character, that he would rather sacrifice his life than sign it. Do you think that the trade could be fairly and honourably carried on subject to the signing of such a bond?—It is impossible, I think. I conceive that very few Englishmen would have remained in Canton subject to such conditions. A man,

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for instance, is required to say that any captain of a ship who should bring opium to China should be liable to be put to death, and he is even called upon to say that he should be content to be put to death. If Mr. Dent had gone into the city, I think they might have worked upon him to give up the opium; but I do not know how they would ever have got him to sign the bond.

621. You stated that it is conceived that Commissioner Lin had ulterior views, besides that of demanding the surrender of the opium?—I think so; and in confirmation of that I may mention that he has issued some very extraordinary regulations with respect to the native trade. There is a large book published under his orders for the native trade, which I asked one of the interpreters to translate and send home. It has got a wood-cut of a junk, showing how their junks are to be built and appointed, and one thing is, that the name of every sailor in the junk is to be written in clear characters upon the sail; they are regulations under which it is impossible that any earthly trade can be carried on.

622. The regulations respecting the foreign trade are such, that it would have placed it in an infinitely worse position than it ever has been in; in fact, it would be impossible to be carried on?—Utterly impossible; they are the old regulations of 1740, or thereabouts; they never have been able to be carried into effect.

623. Do you believe that the whole of the opium was destroyed?—I think so; I think, myself, that Commissioner Lin has been sincere throughout; I judge entirely from what I suppose to be the character of Commissioner Lin. Had it been attributed to Tang, the viceroy, I would never have supposed that it had been done.

624. The opium lying in the ships at Lintin was not in any manner within the power of the Chinese?—Certainly not.

625. Do you know whether the Chinese boats or custom-house officers have ever been in the habit of visiting ships in the outer waters?—No, never, that I am aware of.

626. They took no cognizance of ships' cargoes till they entered the Bogue?—Perhaps latterly, within the last few years, they may have been ordered to do it, but in practice they never have done it.

627. You are not aware of any edict having been issued for the confiscation of the opium at Lintin, in the event of the ship not quitting the coast?—No, never.

628. Nor of any insinuation or threat of that kind?—No, never.

629. You have stated that the number of persons detained at Canton was 320, and that there were 16 persons denounced as having connexion with the opium trade?—If I said 320 in my former examination, it was by mistake, I meant 230.

630. Was that the whole number of those who were charged with the opium trade by the Chinese government?—No; those sixteen were selected. They first of all ordered away Mr. Dent, and then a few days afterwards they ordered away Mr. Matheson alone, and then in a few days afterwards they ordered away the whole sixteen.

631. Upon what principle were they selected; were they selected as being the most concerned in it?—Certainly not; because there were one or two who had never been concerned in it at all. My own name was never known to the Chinese government till I went into the city. I was not upon the list, and Kwang-chow-foo did not know at all who I was when I went into the city. It was supposed that the commissioner got those names from the linguists.

632. Upon the plea that they were the dealers in opium?—Yes; and I presume as being the principal dealers in opium, which was perhaps correct enough as regarded three or four of the names.

633. But there were others who dealt in opium of whom the Chinese government took no cognizance?—No, they took no notice of them.

634. *Chairman.*] You were understood to say that several of those sixteen never had had any transactions in opium?—Yes; there was a cousin of Mr. Matheson, a young lad, who had just arrived out in China, and who during his short stay in China had been occupied in their (Jardine, Matheson & Co.'s) office. He certainly, personally, never had had anything to do with opium. There

was

was also our book-keeper, who as our book-keeper may be said to be implicated in the opium trade, but he had been trading on his own account for 12 years in China, and had never even seen a chest of opium up to the moment of his coming away; he had never had anything to do with the opium trade whatever on his own account.

635. Mr. *Brownrigg.*] You stated that you thought that Commissioner Lin intended to deal kindly with Mr. Dent, and that if he had succeeded in obtaining the opium from him and getting him to sign the bond, he would have dismissed him with praise and permitted him to remain there, and that his ships would have been loaded; do you think he would have followed up the same measure with all the rest after he had extorted that kind of agreement from Mr. Dent, or do you suppose that Commissioner Lin would have been content with proceeding against Mr. Dent alone, and that he would not have proceeded against any other of the merchants?—No; it was supposed that he intended to proceed next against Mr. Matheson and then against Mr. Turner; I think that he would have followed it up; I think the object was to make Mr. Dent make the first leap, hoping that others would follow.

636. Mr. *Gladstone.*] Do you think it was his intention to proceed against all the holders of opium one by one?—Yes, I think it was. The Chinese themselves mentioned two or three names as coming next, which were probable, because they stood next among the English in those transactions; but Mr. Matheson stood far higher than ever we did.

637. You do not infer, from their only having named 16 persons, that they would have stopped when they got to the end of the 16?—No; I imagine that the banishing of the 16 was entirely an afterthought.

638. Do you believe that Lin had the ulterior views to which you have alluded when he came to Canton, or that he was led to entertain those ulterior views in consequence of the opposition offered to him?—I think the banishing of the 16 was quite an afterthought. First of all, he ordered that Mr. Dent was to go away within three days' notice; Mr. Dent got a day or two more given him to stay. Before the time arrived for his going, Mr. Matheson was ordered away, and at this time the rest of the community were all in confinement; and then came out the order for the 16 to be banished.

639. Is it now your opinion, after the light that you have derived from subsequent experience, that if Lin's edict had been at once obeyed when it was issued, and the opium delivered up, he would then have been satisfied without ulterior measures?—I think then the question of the bonds would have come on. We did not think so much of the bonds then, not having regarded the edicts as likely to be enforced to the letter; but, from what I have seen subsequently, I have no doubt that the bonds were part of his original intention in coming from Pekin.

640. Bonds relating to the opium trade?—Bonds obliging us to declare that we never would engage in the trade any more, and that any captain of a ship coming to us should be liable to death, and should be contented to be put to death. I think that would have created quite as great a difficulty as the delivery up of the opium.

641. Supposing he had obtained this object, do you think he would have been willing to make any payment for the opium delivered up?—I think he came from Pekin with that intention, but that at Pekin he never expected to get 20,000 chests.

642. Is it your opinion that he at all contemplated or desired to raise obstructions to the legal trade, or to confine the legal trade within narrower limits?—I think that was also part of his original intention.

643. Do you think that he wished to diminish the export of tea from China?—No, but to put us under the old regulations.

644. You think he wished to place you under strict regulations, which, as you have stated, would have been highly inconvenient; but do you think that he wished to narrow the trade itself?—Certainly not; not the export of tea or of China produce.

645. In what way were the opium transactions made public to the foreign community at Canton; in the ordinary course of the trade, that is, the arrivals and the sales?—The sales were made by individuals, and we only knew it from the price-currents.

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646. Did the price-currents state the arrivals of the week, or the month?—The whole quantity of opium was perfectly known; I have a paper in my pocket, which will explain it to the Committee (*producing a paper*).

[*The Witness delivered in the same, which is as follows:*]

VESSELS.	Opium Deliveries for February 1839.							Remaining Stock, 1st March 1839.						
	P.		B.		M.		Total.	P.		B.		M.		Total.
	O.	N.	O.	N.	O.	N.		O.	N.	O.	N.	O.	N.	
Jane	3	2¼	–	–	11	–	16¼	20	776½	10½	279	478¾	471½	2,036½
Hercules	–	–	–	–	10	–	10	66	492	4	60	1,640	1,301	3,563
Mermaid	–	17	–	2	–	12	31	17	266	1	99	37	919½	1,339½
Lintin	–	½	–	–	–	4	4½	5	87	2	48	–	1,050½	1,192½
Mithras	–	–	none		–	–	–	–	46	–	–	8	214½	268½
Ruparell	–	–	–	–	2	–	2	–	9	–	–	–	369	378
Aurora	–	–	–	–	–	–	–	–	–	–	–	362	–	362
Ardeseer	–	–	–	–	–	–	–	–	–	–	–	–	400	400
Lady Grant	–	–	–	–	–	–	–	–	–	–	–	–	850	850
Total	3	19¾	–	2	23	16	63¾	108	1,676½	17½	486	2,525¾	5,576¼	10,390

647. Was any notice taken in the price-currents of the names of the consignees?—Yes, the names of the consignees were stated.

648. Including the consignees of the vessels that brought opium?—Yes.

649. Mr. *C. Buller.*] Were those returns printed?—The result of them; the amount of opium on board the ships was returned to every person who had opium on board in those ships; the general result of that was also printed in the newspaper on the 1st of every month; the weekly quantity of opium delivered in that week was also sent up in the same form to Canton, and the general result published in the newspaper.

650. Mr. *Gladstone.*] Did the newspapers publish the names of the consignees of all the ships?—They published the names of the consignees of all the ships lying at Hong Kong; some of them were the regular ships, and others were ships that came and went.

651. With opium?—Yes, there were opium vessels; and various other ships stop there.

652. Mr. *Hogg.*] That publication was in the English language?—It was.

653. Was there for general information, or for the particular information of the trading community of China, any publication or information respecting opium in the Chinese language?—Nothing whatever of the kind; every opium broker understood this perfectly; he would come to get a return of the quantity delivered for his own speculations, and he would get one of these papers.

654. Were they circulated, either in a printed or a written form, in the Chinese language?—No; they were circulated among the people engaged in the opium trade in this form, and they all understood it sufficiently.

655. *Chairman.*] But the existence of a certain quantity of opium, and the existence of these weekly or monthly transactions, were matters of perfect notoriety at Canton?—Certainly. With regard to the opium vessels lying there, I may mention that there were several names of vessels mentioned by Governor Yuen in his proclamations from 1821 to 1823, and three of the vessels then belonged to the same houses to which three of these vessels belonged, and two of those houses have continued during the whole of that time, as houses of the same name, and those are Russell & Co., an American house, and Dent & Co., an English house; the names of those houses have been the same ever since Governor Yuen's proclamation against those ships in 1820 to 1823.

656. Specifying those two houses?—Not specifying the houses, he was merely specifying the ships; but he had the means of knowing who the houses were; the Chinamen knew to whom the ships lying there belonged.

657. Mr. *Hogg.*] The space to which foreigners were limited at Canton was always very confined, was it not?—Yes.

658. Confined almost to the respective factories?—No; we were allowed to go down into some part of the suburbs of the town to get to the Hong merchants' places.

659. Was that the description of duresse to which the foreign community were subjected

subjected before the arrival of Captain Elliot; did it amount to anything more than confinement to their factories, with power to move about from house to house and visit each other?—It was confined to their being cut off from communication with Whampoa and with Macao.

660. Did the confinement amount to anything further than an inability to leave the factory in boats?—Nothing further, to the best of my recollection.

661. Sir *George Staunton.*] But that confinement kept them totally in the power of the Chinese; they had no power of escaping to England?—Entirely; we had no means of getting away by boats.

662. Mr. *Hogg.*] You could move from house to house?—Yes; and so we could during the whole time after Captain Elliot came.

663. Sir *George Staunton.*] When you say that you expected that payment might be obtained for the opium, do you mean payment out of the government treasury, or by means of the Hong merchants?—By means of the Hong merchants.

664. The payment would have been advanced in the first place by the Hong merchants, and they probably would have reimbursed themselves out of the Consoo fund?—I think they would probably have paid a certain sum of money, of course coming out of the Consoo fund, and the rest they would have proposed to repay by instalments; I am sure that was the impression of the Hong merchants; and Mowqua actually asked us if we would take 400 dollars a chest.

665. Mr. *Elliot.*] You form the same opinion yourself from the terms of the edict?—From an expression in the Commissioner's edict.

666. You said before that it promised "that if we complied with his request he would report the thing to the Emperor to reward us"?—Yes.

667. Can you recollect the exact words?—No, I cannot; but they could be easily ascertained by reference to the edict; but I remember begging Mr. Morrison to read it over again, and I said at the time, "That is a very remarkable expression; it means more than it implies a good deal;" and I repeated the words to my partner; but there was considerable doubt upon that expression afterwards among the community, and many of them thought it did not mean so much, and I think Mr. Morrison himself, upon reconsideration, seemed to think that it did not mean so much as I at first thought it did.

668. Do you think the Hong merchants derived their impression from that expression, or that they had other private information?—I think they formed their opinion upon the general tendency of all transactions of the kind, which is to make them pay.

669. Mr. *E. Buller.*] You stated that the opium trade was carried on at Canton with the connivance of the authorities; was it carried on with the connivance of the highest authorities of Canton?—Certainly; they knew perfectly that the opium trade was carried on, and they knew how it was carried on; and I presume that they had always the same means of stopping it which they had at last.

670. Have you any reason to believe that the Viceroy himself was either directly concerned in the smuggling of opium, or that he derived a profit from it?—There is an Englishman here now, ready to offer evidence, I understand, before the Committee, that he himself was employed by the Viceroy in smuggling opium into the river; but my own impression is, that his son was actually engaged in the trade; the Chinamen themselves placarded him in the streets. The deputy-governor of one of two provinces under the Viceroy's management, in memorializing the Emperor respecting the opium trade, recommended that an officer of government should be employed in purchasing opium to ascertain exactly who were the parties engaged in the trade, and that, if necessary, they should even open shops in order to ascertain the precise mode in which the trade was conducted. Judging from that, it seems to me not unlikely that the Emperor did authorize the Viceroy to employ anybody he pleased in the trade in order to ascertain the particulars of it; and judging by the general conduct of the mandarins, and of this officer in particular, I think it exceedingly likely that his son would buy 500 chests on the Emperor's account, and 2,000 on his own; and, therefore, if Her Majesty's Government were to say to the Emperor of China, we have evidence that your Viceroy was engaged in the trade, he would say, "Certainly, I know that; he did it by my order;" but that Viceroy really profited to a very large amount, because he reported 500 chests, when he would buy, or his son would buy, 2,000.

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671. In what year do you suppose the son of the Viceroy to have been engaged in these opium transactions?—In the end of 1837, or the beginning of 1838, when the opium trade was first driven from Lintin into the river within the Bogue, which, I think, was about November or December 1837.

672. Was that in consequence of the strict regulations of the Chinese within the river?—No; first of all, it was in consequence of that persecution, as I call it, against the opium smugglers at Lintin; they obliged them to destroy their boats, and then, as the sale of opium was necessarily suspended for a while at Lintin, the trade was forced, as it is upon all such occasions, into some other channels, and then some parties began smuggling it in the river in small boats; one of those parties told me himself that he delivered 1,200 chests a month for two months, chiefly to two boats, which he believed to be the Viceroy's own boats.

673. Do you know whether they carried the Viceroy's flag?—I should think not, but I would rather not say anything upon this subject; I never was engaged in that particular branch of trade. I think the Committee will have means of getting it from parties that were.

674. At the period you have mentioned, when the smuggling by the Chinese boats was to a great degree suppressed, and the smuggling was driven into the channel which you have alluded to, which was a British channel chiefly, did you hear at that time, as matter of notoriety, that the Viceroy owned boats for the purpose of smuggling opium?—Certainly; it was generally reported. The Chinese themselves placarded his son as being engaged in it. There is a translation of the placard in one of the Canton newspapers.

675. Do you believe that report to be true?—I believe it in the way I mentioned before, namely, that the Viceroy had parties employed in buying opium; but I believe that if you were to accuse him of that, he would say, "Certainly, I bought opium; I had boats engaged in buying opium, but it was by the orders of the Emperor, to ascertain the parties who were engaged in the opium trade, and the mode of conducting it."

676. Mr. *Gladstone.*] Have you any knowledge upon the subject, or is it merely your belief, founded upon report, that the Viceroy went further than to fulfil the orders of the Emperor with respect to the purchase of opium?—That is entirely a notion of my own, derived from seeing the memorial of Foo-quen (Deputy-Governor) of Kwang-See, recommending the Emperor to order that to be done, and judging by the usual character of the mandarins, and the particular character of the Viceroy, I think it is exceedingly likely that, whoever he employed, whether his son or anybody else, he would do that.

677. Was Tang Viceroy then?—He was.

678. When was he appointed?—I think he arrived in Canton about June 1836.

679. Sir *G. Staunton.*] Your decided belief is, that the Viceroy received a pecuniary benefit from his connivance at the opium trade?—The Viceroy, or some parties employed under him.

680. With his knowledge?—With his knowledge.

681. Mr. *C. Buller.*] Are there any Chinese in Canton that can read English?—I recollect two, and they had nearly forgotten it. They had both been able to read English well at one time; one was a deputy gauger employed by the government of Calcutta.

682. Can none of the interpreters read English?—Not a syllable, or talk it either, so as to be intelligible to persons in this country.

683. Do you suppose that all those things that were published in written papers, and handed round to the different merchants, and the printed papers and public newspapers, were a perfect secret to the Chinese?—No; Howqua took one of the newspapers regularly.

684. Do you suppose that the contents of that newspaper never were known to the Chinese?—On the contrary, it was supposed that he communicated the contents to the Viceroy whenever the Viceroy wanted it.

685. Sir *R. Inglis.*] Did not Howqua read English?—No.

686. Mr. *C. Buller.*] Then the Chinese must have been perfectly aware at this time of the publicity of these opium sales?—Undoubtedly; it was as notorious as possible; in fact, there have been reports every year almost of opium ships by name lying at Lintin from the very first time I arrived in China; there were constantly reports made of the number of ships and the names of the ships.

It appears from the official memorials, that in 1836 some of the parties in Pekin knew the names of the parties engaged in the opium trade, and it was in consequence of that that several parties were ordered to quit China, which was not, however, carried into execution.

687. Can you give any explanation as to the object of Commissioner Lin in requiring such a bond as that which you have mentioned?—I suppose it was as a means of putting an end to the opium trade, in which I think he was sincere.

688. Looking at the ordinary practice of foreign governments, it would appear that the Chinese had nothing to do but to make any law that they chose about the importation of opium into their own country, to affix any penalty to it they chose, and to enforce that penalty when the law was violated. What was the necessity of requiring the consent of the parties to the enforcement of a penal law?—I cannot say; it is equally difficult to say why the Chinese did not enforce the only penalty which they have ever threatened to inflict upon the foreign trade, which penalty was, that if the foreigners did not obey the laws of China, their trade was to be stopped. Governor Yuen, in 1820 to 1823, drove the trade out of Canton River, and he went so far in expelling ships from Lintin, that the East India Company's factory wrote to the Court of Directors to say that if he persisted in carrying his threats into execution next season, they should feel themselves obliged to drive away the ships themselves from Lintin. Now I may ask why he did not carry out his threat? It is evident that the Chinese government had far greater facility of putting a stop to the opium trade when there were not above 5,000 or 6,000 chests imported than when there were 26,000.

689. Sir *George Staunton.*] Then if it is said that at the time of the arrival of Commissioner Lin the government had exhausted all legitimate means of putting a stop to the opium trade, you consider that that was not the case?—It certainly was not the case. This same Governor Yuen, who is one of the first men in the empire, who had gone so far towards putting it down in 1820 to 1823, and then ceased just at the moment when it appeared that the East India Company were prepared to co-operate with him in doing it, he, after holding several high employments in the empire, was in the Emperor's council, the Council of Four, up to the end of 1838; and it was supposed to be his retirement which was the signal for the party who had advised violence towards the foreigners to carry into effect their measures, in consequence of which Commissioner Lin came to Canton.

690. Mr. *Gladstone.*] At what period of the year 1839 did the legitimate trade terminate; when was the trade of the season over?—There has been no season of late years; ships have come and gone at all times. Further than that, I apprehend the greater proportion of the tea was generally taken out of the market about May or June.

691. At the time when Lin came to Canton, can you state how many British ships there were in the Canton River which had come to China for the purpose of carrying on the regular trade?—I do not recollect the number at this moment, but there were a considerable number of ships there.

692. How many ships do you suppose remained unloaded then?—I cannot say.

693. Was the great bulk of the legitimate trade of the season concluded at that time?—I do not think it was. The trade had been suspended in December for some time; in fact, I was kept in China by the accident of the suspension of the trade then; and I think four or five ships left China immediately upon the opening of the trade, which had been loaded, and which lay there loaded throughout the whole time of our confinement in Canton.

694. Is it your opinion that there was a very considerable proportion of the goods belonging to the trade not yet either loaded or contracted for when Commissioner Lin came down to Canton?—Undoubtedly; there was estimated to be 13,000,000 of pounds of tea left in Canton, which would probably, the great bulk of it, have been shipped during the time that we were in confinement had the trade gone on regularly.

695. Mr. *C. Buller.*] The Europeans generally were not considered amenable to the Chinese laws?—There was no penalty that ever I heard of attaching to Europeans under any Chinese law previous to Commissioner Lin's arrival, except that of death in cases of murder, and the general penalty upon the trade of suspension, closing the hatches of regular ships till the foreigners obeyed the law.

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696. Was there any notion of the penalty of confiscation?—Nothing that ever I heard of.

697. Was not the object of the Chinese in requiring the bond this, to get the sanction of Europeans to enforcing the severe laws against the importation of opium?—My own belief is, that they did not like to inflict the real penalty which they have constantly threatened, stopping the trade, because it was inconvenient to themselves, and because, moreover, they knew that it would bring them into collision with our Government.

697*. They wanted to enact death as the punishment of importing opium?—It was threatened by Commissioner Lin.

698. Instead of doing that, as any European government would have done, by passing a law binding all foreigners in the country to obey it, they tried to obtain your consent to the enactment of this law against you by inducing you to sign this bond?—Yes; the bond was, I have no doubt, to prevent the merchants in Canton from engaging in the opium trade any more.

699. But they thought it necessary to get your sanction to inflict that punishment before inflicting it of their own authority?—I suppose so.

700. Sir *George Staunton.*] Was not the intention of the bond to induce foreigners to suppose that if they sold opium they would be subject to the penalty of death, and thereby to intimidate them?—No doubt.

701. Mr. *Elliot.*] Would a man given up under that bond have been tried by the laws of China applied to their own subjects?—I suppose so.

702. Has that been the case in other instances when men have been given up?—I never recollect any case but one of a man given up, by the Americans, who went through what is called a trial.

703. Did he go through the same form of trial that a Chinese subject would have done under similar circumstances?—I do not know. I believe the man, who was an Italian, not an American, although serving in an American vessel, had no interpreter except the common Chinese interpreter; and I believe the man was made to sign a confession, under the promise of being liberated; the man put his hand in red ochre, and stamped it on his confession, as having committed a murder; and he was induced to do that under the promise of being liberated.

704. And then he was executed?—And then he was executed.

705. Do you suppose that it was the form of trial which takes place with regard to their own subjects?—Their courts are not like our courts, where the same form is exercised every day; I imagine that it varies with every magistrate.

706. In the papers which have been laid before the House of Commons, it is stated that Europeans who have been given up to the Chinese authorities have not been tried in the same way in which natives of the country have been tried?—I think that very likely. I can scarcely suppose, for instance, that a native of the country would be induced to sign his own confession by a promise of pardon, which promise is not to be enforced afterwards.

707. Mr. *Gladstone.*] Captain Elliot writes, on the 22d of March 1839, thus: "The completion of the great portion of the trade of this year has relieved me of a very embarrassing addition to the difficulties of my situation." Is not Captain Elliot correct in stating that the great portion of the trade of the year had been completed?—I have no doubt that he is.

708. Was not the confiscation of opium a common punishment in the case of native dealers?—Certainly not.

709. Was it not common in the case of native servants?—I think the memorials themselves mentioned that there were only one or two instances. One of them asks, how it is that the government regulations had never been carried into execution except once or twice? I think one case was by Governor Yuen, and another by Governor Loo. I think one of the memorials mentions that.

710. Before the year 1836, when the trade in native boats was broken up, was not it common to confiscate opium which was found in native boats?—Yes; since 1836, the thing has changed materially.

711. From that period forward have not confiscations been common in the case of native boats?—Yes; and in the case of property taken from European boats also.

712. Was not it understood, from the year 1821, that opium, to whomsoever belonging, found within the Bogue, was liable to confiscation?—I imagine so, but

but it was quite a dead letter. There were one or two cases published, which is of course decisive as the law.

713. But there was no doubt of the existence of the law of confiscation as to opium found within the Bogue from the year 1821?—No; and probably earlier, ever since 1795 or 1796, when opium was first imported; there was always a penalty attaching.

714. The specific penalty of confiscation?—I do not recollect what the penalty was; but there was a penalty of some kind attaching to it.

715. *Chairman.*] Was there any other penalty than that of stopping the trade?—Not as to foreigners; there was never the penalty of confiscation. It has been the genius of the Chinese laws towards foreigners never to make them liable to their penalties, but always the traitorous natives.

716. From the year 1821, when the opium ships were driven down to Lintin, was not it clearly understood that opium found within the Bogue, whether in the hands of foreigners or of natives, and whether owned by foreigners or by natives, would be liable to confiscation?—I do not know as to its being within the Bogue; because, so far as I know, there never was opium within the Bogue till 1836, and then if it was found there, it was actually seized and confiscated.

717. Mr. *C. Buller.*] But seized and confiscated in the hands of Chinese?—Yes.

718. *Chairman.*] Not in the hands of foreigners?—I think not in the case of foreigners till 1838, and then they seized 23 chests of opium in a boat near Macao. They boarded the boat and took the opium away.

719. Mr. *C. Buller.*] By whom was that boat manned?—By Lascars probably; but it belonged to foreigners.

720. Sir *R. Inglis.*] It was at the time in the hands of foreigners?—It belonged to foreigners; the Chinese junks boarded the boat somewhere near Macao, and took away 23 chests of opium.

721. The property being assumed to be English?—To be foreign.

722. You have stated that the boat was manned by Lascars?—I am not certain about that; but I have no doubt that the boat was manned by foreigners, because all those boats are manned either by Englishmen or Lascars.

723. *Chairman.*] Supposing the property to be that of foreigners, was that act according to what you believe to be the law of China?—No doubt they seized the property, and set the boat at liberty.

724. Then you believe that confiscation of opium belonging to foreigners was a legal act?—I presume so; but whether it had been so ever since the first introduction of opium, or whether it has arisen out of some of the Viceroy's edicts subsequently to 1836, I cannot say.

725. Sir *R. Inglis.*] Was there any remonstrance made in reference to that seizure in 1838, by the person owning the goods so seized?—I cannot say.

726. Did the seizure make a sensation in the community at Canton?—Certainly; they thought it was an indication that the Chinese were becoming sincere in the determination to check opium.

727. That impression was left upon the minds of the community?—Certainly; but I must add that this was prior to the time I speak of, or about the same time, probably, when the boats were lying openly in Whampoa Reach, selling opium there, and when the mandarin's boats were supposed to be engaged in buying it.

728. Sir *George Staunton.*] At the time of the seizure, was the boat in the act of transmitting opium from the ship to the shore?—I think it is probable that the boat was going from Macao inside the Bogue; it was supposed, of course, to be a mandarin that made the seizure, but, as in the case of Mr. Morss, it is difficult to say whether it was really a mandarin boat or a pirate acting under the semblance of a mandarin boat.

729. Mr. *E. Buller.*] You stated that that seizure took place near Macao; that is not within the Bogue?—No; that is the only case I recollect without the Bogue.

730. Mr. *Gladstone.*] Is that the only case of seizure from a foreigner before Lin came?—No; there were seizures of silver, the produce of opium within the river.

731. Were there no seizures of opium, both within and without the river, from foreigners, between the period of 1837 and the arrival of Commissioner Lin at Canton?

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Canton?—Yes, there was one; that was a chest of opium taken from a boat up in Canton, lying opposite Canton, which boat was condemned afterwards; then there was another seizure from an European boat belonging to a ship at Whampoa, and that was certainly a seizure of silver, the produce of opium. A boat that had been selling opium was boarded, and the dollars or the silver, the price of the opium, taken away; that occurred in 1828.

732. Were the seizures numerous during that latest period?—Not numerous, certainly; but there were two or three instances.

733. Mr. *E. Buller.*] Do you believe that the seizure of the opium at Lintin would have been strictly in conformity with the Chinese laws?—I do not know.

734. Up to the time of Lin's arrival, should you say that the opium lying at Lintin was not liable to confiscation by any known law of China?—Certainly not; I am not aware of any law that could confiscate it prior to its leaving the ship.

735. And yet the opium on board the boat near Macao was liable to seizure?—I cannot say that, but it was seized. I think the impression of the European community must have been that it was liable to seizure; but that was subsequent to 1836, in which there were edicts issued about the trade, and especially about the trade in those boats; and yet, as to many of those edicts, no sort of attention was paid to them.

736. Did the foreign community draw a distinction between property on board a boat outside the Bogue, and property on board a ship outside the Bogue?—I do not think there was any distinction drawn till after 1836, after that memorial to Pekin, and after the project, first, for legalizing the trade, and then for driving it away, and then they altered the edicts issued about the opium in boats. We knew before that it applied to opium in ships within the Bogue, but they then applied it to opium in boats; in fact, it never was the habit of the parties engaged in the opium trade to smuggle opium in boats till that period, at least since I have been concerned in it. Our mode of dealing in the trade was to keep the opium on board our ship, and we gave an order at Canton for the delivery of that opium from the ship to the China boat, and that went on till the end of 1837.

737. Mr. *Clay.*] Where were they to get the opium upon those orders?—We gave an order in Canton; a merchant ship came in with a quantity of opium, and we gave an order upon the ship to deliver the opium. Then, in consequence of the edict issued in 1836, the opium became unsaleable for a time, and then we had recourse to sending our vessels on to the coast, and other parties began smuggling in the river in European boats, and then came out the orders expressly against the European boats, and I presume that it was under one of those orders that this boat was seized.

738. Previously to 1836 were the boats employed wholly Chinese boats, owned and manned by the Chinese?—Yes; large boats with 40 or 50 men.

739. Those boats went with the order to which you refer, as being procured from European merchants in Canton, to the ship's side, and had the opium delivered to them?—Yes; they broke up the chests and put it into bags, and brought it away.

740. Was that when the ships were at Lintin?—Yes, or one of the adjacent ports.

741. But generally before they entered the Bogue?—Yes, always; our ships were never near the Bogue at all; they purposely kept out of the way of the Bogue.

742. And they got rid of the whole of the opium before entering Canton River?—Certainly, the European ships.

743. Sir *W. Somerville.*] Upon the receipt of the communication from Lord Palmerston, notifying to Captain Elliot that the Government would not be responsible for any opium seized, the property of British merchants, how did Captain Elliot make that known to the merchants?—Captain Elliot never made Lord Palmerston's notice known in the words of Lord Palmerston; he applied the sense of it, and I suppose he understood that Lord Palmerston must have meant it to be so applied solely to the smuggling trade within the river.

744. What sort of notice did Captain Elliot give; was it a public printed notice inserted in the journals?—Yes, certainly, published in all the journals; it was a notice that Her Majesty's Government could not sanction the proceedings which had been carried on the last year or two within the Bogue, but it

was entirely confined to the smuggling trade within the Bogue. I was reading over the wording of it a day or two ago, and I think it is impossible to apply it to any other trade than the smuggling trade within the Bogue; and I presume it means the smuggling of all things, as well as opium. I think it is not impossible to have been connected with the case of Mr. Innes, which had occupied the attention both of Captain Elliot and of the Home Government.

745. Did that create any alarm?—It created a great deal of annoyance to the parties concerned in smuggling in the river, and it very much horrified the whole foreign community, to find that Captain Elliot had for the first time committed his Government to a knowledge of the opium trade, because in the time of the East India Company the East India Company's factory had most carefully avoided admitting to the Chinese that they knew anything about it, and so had Her Majesty's Government always done up to that period.

746. Was opium then specifically mentioned in this notification of Captain Elliot?—I cannot say that the word "opium" is mentioned.

747. That notification created great alarm?—It created great alarm among the owners of smuggling boats there, who had been engaged in the trade, and who were making a great deal of money. Of course it tended to destroy the profit of all parties engaged in it.

748. *Chairman.*] Had the merchants, previously to Captain Elliot's arrival, positively made up their minds not to deliver up the opium to the Chinese; or with respect to the House of Dent & Co. in particular, had Dent & Co. determined not to give up their opium previously to the arrival of Captain Elliot at Canton?—When it was under consideration with Dent & Co., it was upon the supposition that Mr. Dent would go into the city, and also upon the supposition that Commissioner Lin would have the opium by one means or other; that he had got us entirely in his power, and that he would keep us there till he got the opium out of us. Of course, under these considerations, the determination was not to give it up as long as it could possibly be avoided; and we believed at the moment that he had it in his power to give compensation, and that he was willing to do so, and thus that Mr. Dent would be able to make a bargain for Dent & Co.

749. Mr. *Brownrigg.*] In short, that you would hold out as long as you could with safety to life and limb?—Yes; I fancy that our intention was known to the foreign community, and that was one reason why they would not let Mr. Dent go into the city to be made the bell-wether of the flock.

750. *Chairman.*] Are the Committee to understand that you were willing either that Mr. Dent or yourself should undergo confinement within the city rather than give up the opium without some bargain?—Decidedly; I was quite prepared, if I went in, to stand out the confinement, and anything else that might come, as long as I could; and I think I expressed myself to Mr. Dent that we would not give up the opium even to his order, unless we knew he was being tortured, and then of course there could be no question of it. I said, "If you choose to go, we shall hear nothing of you except vague reports of the linguists, but we will not give up a chest of opium unless we have good reason to believe that they are torturing you."

751. You have stated, that as late as the Monday evening you were personally ready to go into the city?—Yes.

752. And you gave up your intention of going into the city at the express desire of Captain Elliot?—Certainly; Captain Elliot gave me what I considered a good reason why I ought not to go in, which was, that I might probably be detained, and that if I were, he should be called upon by the whole foreign community to get me out again.

753. At that moment, then, you were not prepared to give up your opium except for payment from the Chinese, or an indemnity from Captain Elliot?—Certainly not; if it had been a question of giving up 20 or 30 chests of opium, or 100 chests of opium of their own, perhaps Dent & Co. would have given up their own opium, if they could have kept the opium of their constituents out of sight. The object was to make a bargain to do the best that could be done under the circumstances, with the feeling that the Commissioner would have the opium.

754. Mr. *Clay.*] Judging from what has transpired since, you now believe that the Commissioner would, under any circumstances, have proceeded to possess himself of your opium by means of coercion?—Yes; I am satisfied that if Mr.

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Dent or myself had gone in, we should never have got out without giving up opium.

755. Mr. *Elliot.*] And without signing the bond?—Yes; I have no doubt now that that was part of the original plan.

756. *Chairman.*] The idea of putting the opium into Mr. Johnston's hands was merely for safe custody?—It was to put it out of our power to give it up, even to Mr. Dent's order.

757. To give you the power of saying to the Chinese, "The opium is not in our hands now; it is in the hands of the Superintendent"?—Certainly; that we had no longer any control over it; it was to throw off the responsibility of giving it up from our shoulders on to those of Her Majesty's Superintendent.

758. You mean that if the Chinese, under such circumstances, had seized the opium they would have seized it, according to your impression, from the British Government, and not from a private individual?—Yes, undoubtedly; they might have forced Mr. Dent into giving an order to give up the opium, but his other partners told him that we would not give up that opium to his order, but that the moment he went into the city we should put the opium into Mr. Johnston's hands.

759. Mr. *Horsman.*] Did your feeling of its being more secure in Mr. Johnston's hands arise from the greater difficulty which the Chinese authorities might find in seizing the opium when it was in the hands of the British representative, than in seizing it when it was in the hands of private individuals?—I cannot say that; the feeling was to put the responsibility off our shoulders on to those of Her Majesty's representative.

760. Mr. *E. Buller.*] Did you contemplate the possibility of surrendering it to the Chinese government?—I contemplated the possibility in this way: We told Mr. Dent that if we knew he were being tortured we should be ready to give it up. I thought that in that case Mr. Johnston would have said to us, "Will you now authorize me to give it up?" and certainly I would have done it upon an occasion of that kind.

761. If your impression was that the opium would be forced from you by the Chinese government, did not you contemplate that it might equally be forced from the representative of the British Government?—Undoubtedly.

762. Supposing that your opium had been forced from the representative of the British Government, what compensation would you have anticipated?—There was no anticipation of compensation in that case, of course; what I should think would have been the course in such a case is this, that if we knew that Mr. Dent was being tortured, or that his life was in danger, I dare say Mr. Johnston would have said to us, "What do you say yourselves to this; do you think we must give up the opium?" and I should have said, "Yes, undoubtedly;" but if that case had not arisen we should not have done so.

763. Mr. *Clay.*] How long before the arrival of Captain Elliot at Canton did the conversation to which you are now referring take place?—This was on Saturday afternoon about three or four o'clock, and he arrived in Canton at six o'clock on Sunday afternoon.

764. Did that conversation take place before or after Mr. Astell dispatched his letter to Captain Elliot?—Before; Mr. Astell got his answer somewhere about that time, because I remember Mr. Johnston's expression, that now he knew what Captain Elliot was doing (referring to the proclamation that Captain Elliot had put forth at Macao), he had no doubt about his own course. As far as I am aware, Mr. Astell had no answer from Captain Elliot, but he had Captain Elliot's proclamation sent to him, or the substance of it, and he communicated that to Mr. Johnston; and I remember Mr. Johnston saying that now he knew what Captain Elliot had done, he had no doubt whatever about his own course, but he did not say what that course was.

765. That was on the Saturday afternoon?—Yes; I had recommended him before, as a friend, not to commit himself about it more than was necessary.

766. Have you still frequent communication by letter with China?—Yes.

767. Do your letters mention that the trade in opium is now going on?—Yes.

768. By means of the clippers?—Yes.

769. Have you any knowledge whether, by measures of internal policy, the Chinese government are taking every step to put down the consumption of opium?—None whatever.

770. Have

770. Have you any such knowledge of what is passing at Canton, as to be able to give any information upon that head?—None whatever. I should like to mention, with reference to some questions put to me about the negotiation of the bills drawn by Captain Elliot, that I have a letter from a gentleman connected with the house of Dent & Co., who is at Calcutta. It mentions, that in a communication from Messrs. Arbuthnot & Co., at Madras, it is stated that they have received 6,000 *l.* of bills drawn by Dent & Co., at six months' sight, on England, for negotiation, together with a salary bill of Captain Elliot's, at 30 days' sight, and that they negotiated the whole of the bills at the same rate. It is matter of some pride to Dent & Co. that, notwithstanding all these disasters, we should be in as good credit as Her Majesty's Government.

771. Mr. *Elliot.*] You mentioned that you thought the opium had been destroyed. The following is an extract from a letter of Captain Elliot to Lord Palmerston, dated the 22d of April 1839; will you state what reason you have for supposing this statement not to be correct: "Indeed, my Lord, I have ascertertained, beyond all doubt, that the surrender of this mass of property (under the declaration that it was taken away from Her Majesty's subjects, in the name of Her Majesty) has overturned the original schemes (of whatever nature they were); and that the High Commissioner has applied to the court for orders concerning its disposal. In the meantime, he remains at the Bocca Tigris, superintending an elaborate examination, careful repackage, and classification of the opium into three sorts—carefulness which does not accord reasonably with destructive intentions. In my judgment, the main body of this opium, in fact, all that is saleable, will be turned to the most advantageous account"?—I think he may have been very right in his views then, judging by what had happened before in cases of seizures of opium. We had every reason to suppose that the intention was, at one moment, to send the whole of the opium up to Pekin, or perhaps to destroy part of it, and to send the rest up; but it is supposed, from subsequent orders, that the Commissioner destroyed the whole of it.

772. You will observe that this letter is dated the 22d of April?—The opium was not destroyed till long after I left China; I suppose it was in July.

773. And it was supposed to be destroyed?—Two parties saw the process of destruction going on of one portion of it.

774. You were understood to say that you found your belief of its being destroyed upon the character of the Commissioner?—In the first place, upon the knowledge that some portion of it was destroyed, and then upon the character of the Commissioner.

775. And you found your opinion with regard to the character of the Commissioner upon this, that you do not believe the Commissioner to be corrupt, and therefore you believe that he carried his orders into effect?—Yes, and upon the fact that they had begun destroying it.

776. Sir *George Staunton.*] There were foreigners present, were not there?—Yes; Mr. King saw the process going on, and the only reason for supposing it not to have been destroyed, was a calculation made that they could not have done it within the time stated.

777. But notwithstanding that calculation, you think it was all destroyed?—Yes.

778. Mr. *Horsman.*] Was it the impression of the European community that the Commissioner came down with particular orders as to how he was to put the trade down, or that he came down with full powers?—I think there was a certain sort of outline marked out for his conduct at Pekin, which probably may have been that he should endeavour to get a portion of the opium given up to him, never dreaming at the time that there was so much opium there; and I think probably he was to get those bonds signed, and to allow no foreigner to trade in China who did not sign those bonds.

779. Was the impression that he came down armed with absolute powers, and with no orders but to put down the opium trade, by whatever means?—We had no means of knowing anything of that kind. We supposed that he came down armed with absolute powers, and that the rest would be left to his discretion, according to circumstances.

Captain *John Thacker*, called in; and Examined.

Captain *John Thacker.*

780. *Chairman.*] WERE you engaged in business at Canton?—I had just arrived in Canton when these transactions occurred. I went out to Canton in the year 1838 for the purpose of establishing a house.

781. When did you arrive in Canton?—In February 1839.

782. How did you take your funds to China with you?—I went over-land to Bombay; I took my funds in East India Company's bills, and I invested the money in opium in Bombay, to take it on to China.

783. You bought opium at Bombay in your way to China?—Yes.

784. Can you state about the price of opium at Bombay at that period?—Yes; I paid for mine 1,065 rupees per chest.

785. Was that Malwa opium?—It was.

786. Did that opium so bought form part of the opium subsequently surrendered by Captain Elliot to the Commissioner?—It did.

787. You were in the factory at Canton at the period of Captain Elliot's arrival and subsequently?—I was.

788. And you quitted the factory with the other European residents?—I quitted about eight or ten days after Captain Elliot quitted; I was not one of the 16 that were proscribed.

789. Are you cognizant of the fact, whether there was or was not any opium in Canton at the time of Captain Elliot's arrival there?—I think there was none, with the exception of half a chest, which was delivered up to Captain Elliot.

790. Can you speak with any certainty upon that subject?—Yes; because a notice was sent round to the factories upon the subject.

791. Did you abandon your idea of forming a mercantile establishment at Canton in consequence of these transactions?—In consequence of my property being given up to Captain Elliot.

792. When application was made to you to give up your property to Captain Elliot, had you any consultation with any one else about it?—I was living at Mr. Jardine's factory; I was called out of bed at six o'clock in the morning by Mr. Matheson, the head of that house, and we consulted a few minutes upon that subject.

793. Previous to the arrival of Captain Elliot at Canton, had you delivered the opium in your possession into the care of Mr. Johnston?—After the Commissioner's edict came out, and they were endeavouring to extort the opium from the merchants, I could not afford to give mine up, and I surrendered it to Mr. Johnston for safer custody; Captain Elliot was outside; a man-of-war was outside, and my opium was outside.

794. When you arrived there in February 1839, did you find the community in a state of great excitement in expectation of the arrival of the Commissioner at Canton?—Yes; the excitement was of a favourable nature; it was understood by the Chinamen and Europeans that he came to soften matters down from what the Viceroy had been doing.

795. Do you mean that there was then an idea that the trade would be legalized?—It was thought that something would be done to obviate the difficulties that had been thrown in the way by the Viceroy; that he had been too harsh.

796. Was it expected that, in some shape or other, the trade would be legalized?—I do not know as to legalizing it, but that the obstructions would be removed.

797. What first gave an impression different from that?—The consternation amongst the servants after he had arrived; they began to remove their things away from the factory, which made me think that his measures would be more serious.

798. Had the servants begun to quit you before the edict of the 18th of March?—Yes, they began to remove their clothes from the factory, which proved that there was something behind which they were aware of, which we were not.

799. You are aware of the discussions which subsequently took place in the Chamber of Commerce with regard to Mr. Dent?—I was not a member of the Chamber of Commerce, and did not attend them; I knew what passed from hearsay.

800. Were you at Mr. Dent's house on the Saturday when the Hong merchants were endeavouring to prevail upon him to go into the city?—Yes.

801. Will you state what passed?—I went late, and at that time the Hong merchants were sitting there drinking and smoking in one of the rooms, after it had been resolved that he should not go.

802. Was the opinion of the foreign community that he should not go an unanimous opinion?—Quite.

803. Upon what was that opinion founded?—The distrust that every one had of the Chinese government, from previous acts.

804. Do you mean to say that there was an apprehension that personal violence would be shown to Mr. Dent?—That he would be detained; that was the opinion of every one, with perhaps the exception of Mr. Inglis.

805. You stated that, from an apprehension of violence, you placed your opium, which you could not afford to lose, in the custody of Mr. Johnston?—Yes; I wrote to Mr. Johnston a letter, a copy of which I have here, and I have his answer to it.

806. What date was that?—It was the 23d of March.

807. What day of the week?—It must have been Saturday.

808. That was the day before Captain Elliot's arrival?—Yes.

809. Will you read your letter to Mr. Johnston?—

[*The Witness read the same, as follows:*]

"To *A. R. Johnston*, Esq. Her Majesty's Deputy Superintendent in China.

"Sir,

"In consequence of the edict of the imperial Commissioner of the 17th March 1839, addressed to foreigners of all nations, demanding unconditional delivery of all opium under their charge, and being at this time close prisoner in Canton, I do hereby surrender to you, as Her Majesty's Superintendent of British trade in China, orders for the delivery to you of all opium under my control, for its safer custody, requesting you will give me an immediate acknowledgment of the due receipt of the same.

"I am, Sir,
"Your most obedient servant,
(signed) "*John Thacker.*"

(Capt. *Thacker.*) There is an order enclosed to the commander of the ship who was outside with the opium.

"To Captain *Parry*, or Commanding Officer, Ship Hercules, Lantoa.

"Sir,—Deliver to the order of Her Majesty's Superintendent of British trade in China all opium belonging to me on board the Hercules.

"I am, Sir,
"Your most obedient servant,
(signed) "*John Thacker.*"

810. Will you read Mr. Johnston's answer?—

[*The Witness read the same, as follows:*]

"Sir, "Canton, 23 March 1839.

"I have the honour to acknowledge your order upon Captain Parry to deliver to the Superintendent all opium belonging to you on board the ship under his command.

"I have the honour to be, Sir,
"Your most obedient servant,
"*Edward Elmslie,*
"Secretary and Treasurer to the
"To John Thacker, Esq., Canton." "Superintendent."

811. What was your object in doing that?—I was not aware what steps the Chinese might take to force my opium from me, and I thought that Captain Elliot being outside, and the man-of-war being outside, by placing it under his custody it would be safe.

812. There was no question made of indemnity to you, or payment by the Superintendent to you for that opium?—No; I only asked him to take charge of it.

813. Why did you think it would be safer in his custody than your own?—Because there was a man-of-war outside, and Captain Elliot was outside.

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814. But Mr. Johnston was not outside?—No, but he was the deputy.

815. Was not it to him that you addressed the letter?—He was the next person in Canton acting next under the Superintendent.

816. Do you know whether any steps were taken in consequence of that order?—No, I do not know that any steps were taken.

817. It was merely a question of safe custody, without any reference to permanently disposing of the opium?—Yes; it was for safe custody.

818. Mr. *Horsman.*] Had you had any previous conversation with Mr. Johnston about surrendering that opium to his keeping?—No.

819. *Chairman.*] You did not ask whether he would consent to take charge of the opium?—No; I waited upon him with the letter.

820. Did you conceive that he accepted the charge of it for safe custody?—I conceived so by his answer, he did not repudiate it.

821. You conceived that it was in his care, not in your own?—Decidedly.

822. When did Captain Elliot arrive?—On Sunday the 24th, in the evening.

823. What did he do then?—He assembled the community in the Company's Hall, and he read to them the proclamation he had issued in Macao a few days before, and then addressed the meeting.

824. Were you present?—I was.

825. What was the purport of his communication?—He stated that he had foreseen what had now taken place; that he had been prepared for it; that the proclamation which he then read, as having addressed at Macao, he had had prepared a month or two previously; that he begged it might be understood that he was then acting upon his own responsibility, upon his orders or instructions from the Government, or words to that effect, and that he could take no advice from any person, and that he hoped it would not be taken as offensive; that he could take no advice from any one, and begged that no one would offer him any; that he should demand passports for all the British at Canton, within 10 days, from the Commissioner, and that he had every reason to suppose that he would obtain them, and, if not, he thought we should be able to force our way out; that there was a man-of-war outside; that his force was small, but that he would do all he could to assist us in it.

826. Did he say anything about the surrender of the opium then?—No; I think he said that he was sorry that the 1,030 chests had been tendered to the Hong merchants.

827. But with reference to the cession of the whole quantity nothing was said?—Nothing whatever.

828. Are you cognizant of anything that passed with Captain Elliot subsequent to that, before the notice came out for the delivery of the opium?—No.

829. When did that come out?—It came out, I think, on the morning of the 27th.

830. What did you do when it came out?—I was sent for out of bed, at six o'clock in the morning, by Mr. Matheson; and I think that Mr. Johnston brought the requisition himself, and read it to us.

831. What did you do upon receiving that requisition?—I gave it a good deal of consideration, and, after viewing it for a considerable time, I gave up my opium like the rest.

832. How did you do that?—I wrote to Captain Elliot a letter, which I have here.

833. Will you read the letter?—

[*The Witness read the same, as follows:*]

"Canton, 27 March 1839.

"To Captain *Charles Elliot*, R. N., Her Majesty's Chief Superintendent of British Trade in China.

"Sir,

"In compliance with your public requisition of this day, I hereby surrender to you, for the service of Her Majesty's Government, the undermentioned opium belonging to me, or under my control; viz. I. T. 40 chests of Malwa opium, on board the Hercules, Captain Parry, my own property; P. C. S. 41 ditto, ditto, under my control, but belonging to others; the said opium having already been placed in charge of Her Majesty's Superintendents of British

Trade

Trade in China by me on the 23d instant, as per my letter of that date to them, and order therein enclosed to Captain Parry or commanding officer of the Hercules, to deliver the same to their order.

"I have the honour to be, Sir,

"Your most obedient humble servant,

(signed) "*John Thacker.*"

834. Was that acknowledged?—No, there was no acknowledgment of the opium till the receipts were finally given.

835. After the arrival of Captain Elliot, was there any duresse or coercion exercised towards the residents in the factory?—The servants were all taken away on the Sunday evening on which Captain Elliot arrived.

836. With regard to the provisions, were they stopped?—The supplies were all stopped after that Sunday.

837. Mr. *Horsman.*] You stated that you were a close prisoner before Captain Elliot's arrival?—We were not allowed to quit Canton, but the servants had not left, and the provisions were not stopped till after Captain Elliot came up.

838. *Chairman.*] When you consented to give up the opium to Captain Elliot, did you consider that it was the same sort of thing that you had previously done with regard to Mr. Johnston; did you conceive that you gave it up to him positively and entirely, or did you do it merely for safe custody?—No; I gave it up to him, upon his pledge of remuneration, to do what he liked with it for the service of Her Majesty.

839. Should you have refused to give it up to him if he had not promised remuneration?—Yes, most decidedly.

840. Was there any consultation between yourself and any one else upon the subject previously to your determination to give it up?—I had a few minutes conversation with Mr. Matheson at the door of the hall when we came in, it came so suddenly upon us; it was so unexpected to have a demand of the kind.

841. And you would not have given it up, except under a promise of payment?—Certainly not.

842. With regard to your own feelings, did you apprehend that your life was in danger at that moment?—No, I did not apprehend that my life was in danger from the Chinese government; I thought it probable that we should be imprisoned in the city; I did not think that the Chinese would have gone to the extremity of executing any of us; but I think there was great danger of their letting in the mob upon us; I think they might have done that.

843. Were you prepared to submit to an extent of confinement rather than give up your opium?—Yes; that was the reason I put it beyond my own control.

844. In that case you thought you might say that it was no longer within your own control?—Yes.

845. You considered, therefore, that supposing you had given an order for the delivery of the opium, Mr. Johnston would not have obeyed that order?—I should conceive not, if I was in durance.

846. And that the captain of the ship would not any longer have obeyed that order?—No; because I had given orders to him to deliver it to Captain Elliot.

847. Mr. *Horsman.*] You said you were afraid they would let in the mob upon you; was the feeling of the mob very strong against you?—Not at first, but latterly it became so; the tendency of the execution was to excite the mob against us.

848. Mr. *C. Buller.*] Was it not the fact, that at the execution the Chinese authorities prevented the mob from committing any violence?—That was on the 12th of December, when I was not there; but I speak of the 26th of February, when the mob was excited.

849. What indication did they give of a wish to excite the mob?—I thought the object of bringing the man there to be executed was to excite the mob against the foreigners, to point them out as the cause of the execution.

850. But the effect of that would not be to excite the mob against you to violence?—I think it would.

851. Was there any indication of such a feeling on the part of the mob?—I thought so from the appearance of the men that were there; it was a different kind of mob from what we had been used to; it appeared to be the lowest class of people that could be mustered from the precincts of the city; they were desperate looking people.

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852. Mr. *Hogg.*] You said your impression was that Commissioner Lin came with a modification of the restrictions; was that consistent with the executions to which you allude as having taken place in front of the factory?—The impression among the foreigners was that the Commissioner was going to soothe matters; that execution was the act of the Viceroy, not the Commissioner; it was previous to the Commissioner coming, and it was understood that he was coming to soften these matters. That was the impression amongst the Chinese.

853. *Chairman.*] Had you received with the others a demand, previous to Captain Elliot's arrival, from Lin to give up your opium within three days?—A public notice.

854. And you determined not to obey that notice, and upon that you placed your opium under the charge of Mr. Johnston?—I did.

855. Did you sign the agreement not to deal in opium?—I did not.

856. Have you had any subsequent dealings in opium?—None, nor before.

857. After the cession of the opium, had you a conversation with Mr. Matheson upon the subject?—I had a great number of conversations with Mr. Matheson upon the subject after the opium was given up.

858. Did he communicate to you anything upon the part of Captain Elliot?—Once he mentioned to me that he had just left Captain Elliot, and Captain Elliot had stated to him that there would be no time left for shipping teas (I was endeavouring to get two ships away from Canton); that there would be no time, after the opium was surrendered, to make such arrangements; that his measures would make Canton too hot to hold any European, even the Americans.

859. Mr. *Elliot.*] Whose measures?—Captain Elliot's measures; he said that Captain Elliot wished that to be made public, and that any of us could go and speak to him if we liked, and I went with another gentleman, Mr. Gemmel. Captain Elliot did not give me time to ask any question, but said, "I am very glad you have come; you will have very little time to do anything after the opium is surrendered; my measures will be such as will make this place too hot to hold any European;" and he put his hand upon some books or papers lying by him, and he said, "I have just been referring to Lord Palmerston's instructions here, and my measures are taken," or words to that effect.

860. *Chairman.*] Did he express any opinion as to the conduct of the Chinese?—He said that they had put themselves in the wrong, which would give the English Government an opportunity of bringing them to book for it.

861. Mr. *Hogg.*] Had you ever heard that Captain Elliot had any intention of calling upon the foreigners to give up the opium till you actually saw the requisition or heard it read?—Never till I was called out of bed, at six o'clock in the morning.

862. It was not a matter that was ever discussed, or, to your knowledge, even known by the community at large?—Never to my knowledge.

863. *Chairman.*] Previously to your quitting China had you further conversation with Captain Elliot?—The morning I left China I saw him. I then got his receipt from him, and he then stated to me, "You will get your property returned to you as soon as you arrive in England." I said, "I hope it will be so." He said, "No doubt about it." I said that I conceived there could be no loss to the Government. He said, "Certainly not;" he said, "In fact, we could be paid for it now if we liked."

864. He held out to you the expectation of receiving the money for your opium immediately upon your arrival here?—A positive expectation.

865. Mr. *Elliot.*] You said that you made no objection when you were desired to deliver up your opium?—We were to deliver it up before six o'clock in the evening. I took a few hours to consider of it.

866. You made no objection?—No.

867. Do you know whether any one else made any objection to it?—I do not know whether any one did.

Jovis, 14° die Maii, 1840.

MEMBERS PRESENT.

Mr. Brownrigg.	Mr. Herbert.
Mr. C. Buller.	Mr. Hogg.
Mr. E. Buller.	Sir C. Lemon.
Mr. Clay.	Mr. Parker.
Mr. Colquhoun.	Mr. J. A. Smith.
Mr. Elliot.	Sir. W. Somerville.
Mr. Gladstone.	Mr. Strutt.
Sir G. Grey.	

JOHN ABEL SMITH, Esq. IN THE CHAIR.

Capt. *John Thacker*, called in; and further Examined.

Captain *John Thacker.*

868. *Chairman.*] HAVE you brought a statement with respect to the cost of opium?—I have brought an exact statement of what mine cost me up to the time I delivered it to Captain Elliot, not calculating the interest or the commission, but the actual payment.

869. Will you read it?—

[*The Witness read the same, as follows:*]

MEMORANDUM of Cost of Malwa Opium surrendered by Captain *John Thacker* to Captain *Charles Elliot,* R.N., Her Majesty's Chief Superintendent of Trade in China, on the 27th March 1839; viz.

45 chests of opium marked IT, and 41 chests marked PCS; cost in Bombay Rs. 92,677. 0. 71., and, at the exchange then ruling between Bombay and China, of 208 rupees per 100 dollars, equal to dollars (this includes insurance to China) - - - - - - - - -	44,556	33
Add, freight insurance in China, and other charges paid upon the same previously to their delivery to Captain Elliot on the 27th March 1839	1,863	4
Total Dollars - - -	46,419	37

Making an average of Dollars 539. 76. per chest.

Note.—To which interest and commission will have to be added.

(signed) *John Thacker.*

At exchange of 5*s.* is 134*l.* 18*s.* 9*d.* per chest.

870. Do you know what the exchange on England averaged then?—From China it was 5*s.* to 5*s.* 1*d.*; I drew bills at that; they were charging three quarters per cent. for the insurance of ships lying at sea in China.

871. Mr. *Hogg.*] What is the risk?—In the typhoon season the risk is considerable.

872. Is that the rate throughout the year?—Throughout the year.

873. Mr. *C. Buller.*] Is that the general insurance upon all goods, or only upon opium?—Upon opium; I think upon all other goods it is much the same.

874. It is no more upon opium than it is upon other goods?—No.

875. Mr. *Gladstone.*] Is the risk equal at all seasons of the year?—No, at the typhoon season it is much greater; but they take it upon an average through the year.

876-7. Then the insurance does not vary, although the risk does?—Yes.

878. Mr. *C. Buller.*] It is an average insurance?—It is.

879. Mr. *E. Buller.*] Are you able to state, from your own knowledge, what the rate of insurance is upon other goods?—Yes; I have had other goods in China at all times.

880. *Chairman.*] The paper you have put in is the actual cost to you of the opium you delivered up to Captain Elliot, exclusive of all interest of money, either before or since?—Yes.

881. Can you give the Committee any information as to the average prices of

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Malwa opium at Bombay?—No; I had not been engaged in the opium trade at all, except taking this remittance to China.

882. Do you know whether the price you paid was an unusually high price for the season?—No, I do not think it was.

883. Mr. *E. Buller.*] When you arrived at Canton, did you ascertain the price of opium at that time?—There was no price; it was not saleable when I arrived at Canton.

884. *Chairman.*] What was the reason of that?—The trade had been entirely stopped by the Viceroy.

885. Was it in consequence of the arrival of Commissioner Lin that the trade was suspended?—No; the Viceroy had succeeded in stopping it, I think, more than the Commissioner afterwards did; it was completely at a stand still before the Commissioner arrived, the Viceroy had taken such strong measures to suppress it.

886–7. But it was in apprehension of the arrival of the Commissioner?—It was that which it was understood had acted upon the Viceroy, expecting the Commissioner.

888. What was the general impression as to the cause of the suspension of the trade?—In China it was, that the Commissioner was coming down, and that the Viceroy himself had been implicated in the opium trade, and that his measures were excessively severe, to clear himself with the government.

889. How long was your opium in China altogether before its delivery up to Captain Elliot?—From the 15th of February to the 27th of March, the day of the delivery. I wish to state to the Committee, that on my way to China I stopped at Singapore, and there a ship had just arrived from Canton, and I first saw Captain Elliot's letter to the Viceroy, offering to assist, if necessary, the Chinese authorities in driving the opium boats from the river. The impression was so strong in my mind at the time that the Chinese would, as a matter of course, turn round and say, "drive away the ships outside also," that I endeavoured at once to dispose of all my opium, and I effected the sale of some of it to the Batavian government at a great sacrifice; I sold all I could to the Dutch government.

890. Mr. *Elliot.*] At what price did you sell it?—At 450 dollars per chest for 10 chests.

891–2. Mr. *Brownrigg.*] Was there an agent of the Java government at Singapore?—Yes; Johnson & Company were the agents for the Batavian government there.

893. *Chairman.*] You stated that when you gave up the opium to Captain Elliot, you gave it up to him upon his pledge of remuneration?—I did.

894. Had you made up your mind, in case he had not offered compensation, to refuse to give it up?—I should not have given it up if he had not offered compensation, but I did not contemplate his asking for it.

895. You considered yourself free from any claim on the part of the Chinese in consequence of your having previously placed your opium in the custody of the superintendent, Mr. Johnston?—I knew that the Chinese were not a very reasonable government, but I still thought that if they pressed me or coerced me for my opium, if I proved to them that it was no longer in my custody, they would not have gone to extremities with me for it.

896–7. Sir *William Somerville.*] Is that still your opinion, considering the events that have since occurred?—Yes, I think so. I do not think they would have done so.

898. Mr. *Gladstone.*] It is stated in the petitions which have been presented to the House of Commons, and referred to this Committee, that it was after remonstrating in vain with Captain Elliot against the requisition which he had made for the surrender of the opium, that the British merchants there present did make the surrender; are you cognizant of that fact?—No.

899. You do not recollect that there was any remonstrance addressed to Captain Elliot, urging him to withdraw the requisition he had made to the merchants for the surrender of the opium?—Certainly not; I never heard of it.

900. Do you think that if there had been such a remonstrance you must have been aware of it?—I should think so. But I was not so well known at Canton as the different houses of agency there, because I had but just arrived, and my opinion might probably not have been sought for at all, for I was not much known in anyway. But I never heard of any remonstrance being made to Captain Elliot at all.

901. Mr. *Brownrigg.*] You signed that petition, did not you?—I signed that petition

petition to the House of Commons, but I was not aware that such a clause was in it.

902. Perhaps you signed the petition without having distinctly read through it?—No; I assuredly read it over, but I do not remember that being in it.—[*A Petition was shown to the Witness.*]—My name certainly appears to it; that has been an oversight on my part; I never observed the clause, nor most assuredly did I ever hear of a remonstrance. I never remonstrated, and never saw Captain Elliot upon the subject.

903. From what you saw of the general feeling that prevailed amongst the merchants there who had opium on consignment, do you conceive it was likely that they would make any remonstrance against this requisition for the opium, or that they would not rather have willingly given up the opium to get rid of the responsibility under which they laboured?—I cannot speak to that. I do not know what means the houses which had been there a long time had of disposing of their opium.

904–5. Mr. *Herbert.*] Did they not seem to meet the requisition readily, and to be glad that the offer was made to them by Captain Elliot?—I cannot say; I can only speak to my own feelings upon the subject; I went to my room, and gave it the best attention I could, and then sent in the letter. The only hesitation I had upon it was, that I disliked there not being a price named.

906. Mr. *Parker.*] How could you have avoided giving up the opium to the Chinese government if you had not given up it to Captain Elliot?—The opium was outside; they could not seize it.

907. You were in Canton?—I was in Canton.

908. Mr. *Gladstone.*] Was there any withdrawal of the letters which had passed between you and Mr. Johnston when you wrote that letter of the 27th of March to Captain Elliot?—None at all, except stating that the opium was already in their custody, and that they could use it for the service of Her Majesty, agreeably to his requisition.

909. *Chairman.*] Then, in giving up your opium, you had no doubt whatever of the due execution of Captain Elliot's engagement to you, that the British Government should repay you?—I had not the most distant; part of the opium I gave up was my own, and part of it I had lent money upon, belonging to a native of India, and that native was in Canton at the time; I wrote to him upon the subject, and I have the letter to him, and his answer to me; the party authorized me to give up his opium, as well as my own, to Captain Elliot, and he was so satisfied of its being a *bonâ fide* transaction, that he afterwards paid me for the opium which I gave up, the money I had lent upon it.

910–11. Retaining his own claim upon the British Government?—Yes; which claim I am obliged to prosecute for him, as Captain Elliot would not give a separate receipt.

912. Was that a voluntary act upon his part, without any coercion used by you to obtain it?—I could use no coercion in China, for there are no laws in China to oblige men to pay anything.

913. And he was so confident of obtaining payment from the British Government, that he paid you the money you had advanced upon it?—He did.

914. Mr. *E. Buller.*] But those advances were in the nature of a loan, which he was bound to repay under any circumstances?—I do not think he was bound to repay it; I think the parties that received the money in India would have been bound to repay; but I think that he to whom the opium was consigned, to sell for the parties, was not bound to repay it, not having the proceeds to pay it with.

915. It was a debt which you had a right to recover even though the opium was not paid for?—I had a right to do so from the party to whom I lent it.

916. You had advanced money, and the opium was the security; if the opium was taken from you, you lost your security, but still the claim against the party remained valid?—Yes, against the party in India, I should think; but it is a disputed point.

917. Mr. *Elliot.*] Supposing you had not given up the opium to Captain Elliot, was there anything to prevent Mr. Johnston insisting upon your taking it off his hands again?—I think Mr. Johnston could have refused to have accepted it.

918–19. On Captain Elliot requiring that the opium should be given up to him, had you refused was there anything to prevent Mr. Johnston saying, "I cannot under the circumstances retain the opium in my possession, you must take it back

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again into your own hands"?—There was nothing to prevent Mr. Johnston saying so.

920. Supposing he had done so, do not you believe the Chinese would have compelled you to give up your opium?—I cannot say that I am capable of greater endurance than other people; I might have been coerced by suffering or confinement to do it, or I might not.

921. Do you suppose that they would have put those measures in force against you?—I am inclined to believe, from what I have since seen of the Commissioner's acts, that they would have done so; but this is after knowledge.

923. You think that in all probability, in the end, as you have not more power of endurance than other people, you would have been obliged to give it up?—I might or I might not.

924-25. Sir *William Somerville.*] You were understood to say that your opinion was that they would not have forced you to give it up?—I did not say so; but that they would not have gone to extremities with me, the opium being in the possession of Mr. Johnston.

926. Mr. *Herbert.*] Did you think at the time you made the transfer to Captain Elliot, that you would ultimately have been forced to give it up to the Chinese?—After I gave it up to Captain Elliot, I did not think anything further of it; of course my giving it to Mr. Johnston evinced that I had some fear that they would be able to get it from me if I retained it myself.

927. Sir *E. Buller.*] But in fact Mr. Johnston never gave you a receipt for the opium; he merely acknowledged the receipt of your letter?—I took that as an acceptance of it, otherwise he would have repudiated it.

928. Sir *William Somerville.*] Your opinion now is that in the end you would have lost your opium?—I cannot say that; I say they might or might not have forced it from me.

929. Have you no opinion upon the subject now as to whether they would or would not?—I do not think they would have gone to extremities with me; the general impression was, I think, that if a remonstrance had been made from the outside by the captain of the man-of-war, they would not have dared to have gone to extremities with any one.

930. Mr. *Parker.*] But it was under an apprehension that such a state of things might happen that you gave up the opium to Mr. Johnston?—Decidedly. I wished to put it beyond my own control, in case they came to extremities.

931. Mr. *Gladstone.*] Was it under the apprehension of being imprisoned, or under the apprehension of suffering violence over and above imprisonment?—I do not mean merely being shut up in Canton; I thought they would have marched us into the city, where we might have been subject to very harsh treatment.

932. Will you explain, so far as you are able, what you mean by the expression "very harsh treatment," and say whether you had any definite apprehension, or whether it was only a general apprehension under which you acted; whether you contemplated that any particular course would be taken by the Chinese government?—From my knowledge of the Chinese, I understand that their measures are very harsh to all parties confined in their own prisons in the city, and I thought that we should be subjected to the same.

933. Have you heard of any cases in which their measures have been very harsh towards Englishmen in Canton?—No, I have not heard of any; I have heard of cases of their own subjects only.

934. Mr. *Elliot.*] Your object was, in giving up the opium to Mr. Johnston, to secure your opium from being taken by the Chinese?—Decidedly,

935. You imagined that it was in danger of being taken by the Chinese?—No doubt.

936. That if it had remained in your hands it might have been taken by the Chinese?—Yes.

937. You had a strong apprehension of that?—I had.

938. As the Europeans holding opium had been required by Captain Elliot to give it up, had Mr. Johnston also been required to give up this opium, and upon having that requisition made to him had delivered it back to you, there would not have been any difference in your possession then, from what it was when you gave it up to Mr. Johnston?—I would not have accepted it under the circumstances.

939. You think that Mr. Johnston might have been compelled to retain charge of it?—Yes, I think so; I think I had a right to claim his protection as long as my

my opium was outside, and there was a British man-of-war outside, and I was a prisoner and threatened with violence.

940. Upon what grounds do you found that right?—As a British subject, Captain Elliot had mixed himself up in the opium question. I thought it very hard, when I arrived in China, after having paid for this opium, which was a trade perfectly understood in this country, and perfectly recognized by the Government of India, and fostered by it, that when I came to the only market which it was grown for the express purpose of being sent to, I should be met by any obstruction in selling it on the part of the representative of the British Government.

941. You said that on your arrival at Singapore you saw some paper issued by Captain Elliot, declaring his intention of aiding the Chinese in suppressing the opium trade?—Proffering his aid, if they required it, to drive away the opium boats in the river.

942. Therefore, clearly manifesting his intention of giving no countenance to that trade?—To the inside trade.

943. Then, after his having given that intimation, you still think that you were entitled to call upon the British authority at Canton, requesting the British Government to give protection to opium, a smuggled article in China?—I think so, for this reason: whilst it was on board a British ship it was not a smuggled article; Captain Elliot had interfered, or offered his interference, to prevent the opium being smuggled into the river; surely, then, if I have paid my money for this opium in a trade which was legally recognized by this country and by the Indian government, when he steps in to prevent my selling it, I have a right to call upon him to prevent its being confiscated by illegal means, such as extortion by violence.

944. Since that was your opinion when you were at Singapore, how came you to sacrifice your interest so much as to sell your opium at 450 dollars a chest?—I would have sold it all then if I could; because Captain Elliot having it under his charge did not make it more valuable to me if I could not sell it in China; I was upon the point of sending it away when the trade was stopped.

945. Then it is your opinion that every person that had opium in China would have had a right to take his opium to Captain Elliot, and say, "Here is British property, you must protect it"?—Yes, so far as it was outside, and only in danger of being seized through violence to the person of the owner.

946. Mr. *E. Buller.*] You would have expected him to protect that property against seizure by the Chinese; but you would not have expected him to afford facilities for the introduction of it into China?—I think I may have been misunderstood; I do not think I was entitled to ask Captain Elliot to prevent the opium being seized by the Chinese government in a legal way; but I think I had a right to ask him to protect me from having it extorted by violence.

947. Supposing the Chinese had proceeded to order away all the opium that was at Lintin, what would have been your position in that event?—I would have sent mine away.

948. Should you have felt yourself entitled then to claim compensation?—No.

949. What would have been the value of the opium, supposing you had been obliged to send it away from China?—It would have been of little value at the moment; but the value would have come back again, as it always has done, under those circumstances.

950. Did you contemplate being obliged to send it away from China?—Yes, I was about to send it away to the Malay Islands.

951. For what purpose?—To exchange it away for beetle-nut and pepper; I had a ship on the point of sailing when we were shut up.

952. Are you aware of the price of opium in Java?—We are not allowed to introduce it into the Dutch settlements, but amongst the Malay Islands, where the Dutch have no power.

953. Did you ascertain the price at which opium might be sold in the islands to which you had access?—I have known what it had sold for occasionally; it varies according to circumstances, from 400 dollars to 1,000 dollars a chest; sometimes 350 dollars, sometimes upwards of 1,000.

954. Then the general price in those islands would be very considerably below the price at Canton?—I think below, generally. There is not a market for a very large quantity there; mine was a small quantity; I had a ship at Canton that I could not get freighted with tea, and I intended to send her down with the opium to the Malay Islands.

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955. Then, if other parties as well as yourself had been obliged to send away their opium from Canton, they would probably have taken the same course as yourself, and have sent it to those islands to be disposed of there?—I think that would depend upon the quantity; if all of us had had the power of sending it away, it would have been of no use.

956. Would it not have necessarily followed, that as much as could, by any possibility, be disposed of in those islands, would have been sent there?—I think it would.

957. The natural consequence would have been a very great fall in price in those islands?—I should think so.

958. And, therefore, you must have anticipated the disposal of your opium in the Malay Islands at a very considerable loss?—I did not anticipate a great loss. If I had demanded money for it, no doubt that would have been the case, but not in barter, if I took beetle-nut and pepper for it.

959. You hoped by the sale of the articles you obtained in the islands to reimburse yourself?—Yes.

960. You were aware that you had to stand the risk of two markets, the market for the opium in the Malay islands, and the market for beetle-nut and pepper in China?—Yes.

961. In consequence of the increased quantity of opium that was likely to be poured into the Malay Islands, and the increased quantity of beetle-nut and pepper likely to be poured into China, you were liable to a difference of prices against you in both those markets?—More so than under other circumstances.

962. Mr. *Elliot.*] You said that you considered that you had a right to call upon Mr. Johnston to protect the opium that was outside, against the Chinese?—Against its being extorted from me by violence.

963. You mean that he ought to have protected you against violence?—I think he ought to have protected my opium from being extorted from me by violence; I gave it to him for safer custody that they should not be able to extort it from me; that I might be able to say, "I have handed it over to one of the officers of my own Government; and I have now no power to give it up."

964. You considered that you had not only a right to call upon Mr. Johnston to protect you against violence by giving up your opium into his hands, but you also considered that while the opium was outside, and while you could not bring it inside, you had a right to go to him and say, "My opium is outside, I cannot bring it here, and it is safe where it is, but I call upon you to protect me by taking charge of my opium which is outside, and which I cannot bring in?"—Yes.

965. *Chairman.*] Had not Captain Elliot given some orders to the opium ships to place themselves under the control of the commander of the Larne?—He had; and, in the absence of the captain of the Larne, under the command of two of the captains of opium ships specified by name.

966. What did you conceive to be the effect of that order?—That it was to protect the opium.

967. Mr. *E. Buller.*] But you were not aware of that order before you gave up your opium to Mr. Johnston?—Certainly not before I gave it to Mr. Johnston, but before I gave it up to Captain Elliot I was.

968. Mr. *Elliot.*] You say the effect of that order was to protect the opium; was not it also to protect the ships which contained the opium, and also to protect the ships which did not contain opium?—It was to protect the whole of the British property.

969. Was there a considerable quantity of British property that had nothing to to do with the opium?—Yes.

970. Was not it necessary that an order of that sort should be given to protect that property?—Certainly.

971. *Chairman.*] There was no exception made in favor of ships which had only opium on board?—No.

972. Mr. *Gladstone.*] How do you know that the opium ships were included in the order?—The two ships that were named to take the command in the absence of the captain of the Larne, were two of the principal opium ships.

973. Mr. *Brownrigg.*] You stated that if Mr. Johnston had desired you to resume charge of your opium, you would not have taken it, but nevertheless you would have considered yourself, supposing that disturbance had subsided, perfectly justified in taking it again from Mr. Johnston whenever you pleased?—Yes.

974. Although you would not have taken it from him when he called upon you

to

to receive it?—I only gave it him for safe custody when in danger; when the danger was past I conceived I had a right to take it back again.

975. But you would not have taken it back again till it suited your purpose?—Just so; not till I could have protected it myself.

976. Mr. *Parker.*] If a party can deliver a contraband commodity into the hands of an officer of his own government, and claim his protection and safe custody, does not it follow that there can be no danger in illegal trade?—It was not contraband with regard to my own Government. I could have no cause to complain of anything that the Chinese did to prevent the trade.

977. Was not it to provide against what the Chinese did to suppress the trade, that you had put the article into the hands of the officers of your own Government?—It was to prevent personal violence to myself, and to protect my property.

978. Mr. *Gladstone.*] Will you explain the expression you used, that Captain Elliot had mixed himself up with the opium traffic. When you employed that expression, did you allude to the order that Captain Elliot gave at Macao on Saturday the 23 of March, or to any previous circumstances, and if so, to what circumstances?—I alluded in that, when I was speaking of Singapore, to my first reading there Captain Elliot's offer to assist the Chinese government if they required, to drive the opium boats out of the river.

979. Would you say that such an offer as that on the part of Captain Elliot amounted to mixing himself up with the opium traffic, when that measure, so far as it went, was a preventive measure?—It is that I complain of. I complain that he should have so mixed himself up with it. Why should he interfere? why not leave the Chinese to their own resources?

980. But if Captain Elliot mixed himself up in the opium traffic only in the sense of restricting and preventing it, can you found upon such a mixing up as that a claim for protection of the opium?—I think so, for my opium, and for reasons I have already given.

981. Sir *William Somerville.*] You said you thought you had a right to claim the protection of your Government, because the opium trade was recognized in this country, and the opium trade was recognized in India; but do you think that that recognition on the part of the Government in England and in India would authorize you to claim the protection of your Government in endeavouring to smuggle opium into a country where it was prohibited?—No, if the Chinese could have seized my opium in the course of smuggling it on shore, I should have had no right to ask any interference on the part of the British Government; but the opium was not at all in the power of the Chinese; they had taken improper and illegal measures to extort it from me, and I thought I had, therefore, a right to protection. I do not mean to say that I had a right to ask the Government to protect me in the act of smuggling; but that having brought my opium there, I had a right to the protection of my Government to prevent its being extorted from me by illegal means.

982. Mr. *E. Buller.*] Your view is, that you had a right to call upon your Government to protect your person from violence?—Yes; I look upon it that with respect to smugglers here in the Channel, upon the same principle, if the Government could not seize them they could have no right to seize all the merchants in the Royal Exchange, and imprison them till they brought those smuggling ships in.

983. Mr. *Hogg.*] If your opium had been within the river, would you have conceived yourself authorized to make a similar requisition to Mr. Johnston?—Certainly not; but I would have, even in that case, claimed protection against violence.

984. Then you found your claim upon the fact of your opium being in a ship lying at Lintin, what is called outside?—Yes, below Lintin, and out of the power of the Chinese to seize it.

985. Supposing the Chinese government had sent war junks to Lintin, and seized by force the opium on board those ships, would you in that case have considered yourself authorized to make any claim upon the British Government?—No.

986. You would have considered that a justifiable measure on the part of the Chinese to put down what they considered an objectionable trade?—Clearly so.

987. Mr. *Elliot.*] You say that they had no right to extort from you opium in the outer waters?—No, nor to extort it from me in the inner waters.

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988. They had not commenced to extort it from you when you gave up the opium?—Only by the proclamation and threats of violence.

989. Then did you think that the issuing of a threat by the Chinese government was sufficient to make it incumbent upon the officer representing the British Government there to take charge of all the property belonging to individuals so threatened?—I think so, they being in confinement at the time; I was in confinement at the time, and their threats had therefore so far been carried into execution.

990. In what degree were you confined at the time?—I was not allowed to quit Canton, or to have any communication with my ship.

991. Sir *W. Somerville.*] You think the Chinese had a right to seize the opium whether it was inside or outside?—If they could.

992. But not to touch your person?—They have no right to seize your person, and to extort it from you; if they could get the opium, as they have frequently done, no compensation would be asked for it.

993. Have you any idea what the Chinese law may be upon the subject?—No.

994. Mr. *Gladstone.*] Is it your impression that the Chinese government, though t might be justified in the seizure of contraband goods, would not be justified in he seizure of persons who were known to be employed in contraband traffic?—No; I do not think they could be justified even in that.

995. Is it your idea that the general principle of the seizure of persons who re engaged in a contraband traffic, supposing the fact to be certain, is contrary to he law of nations?—Decidedly; I do not think any nation has a right to seize he person of a party suspected to be guilty of smuggling, unless they can trace it o him.

996. Supposing the fact to be clear, is it your impression that any nation has a ght to seize the person of a foreigner engaged in a contraband traffic, as well as o seize the goods?—Not unless they can seize him in the particular fact.

997. Will you explain what you mean by seizing him in the particular fact, with eference to the peculiar circumstances of the opium traffic at Canton. Inasmuch s the parties engaged in the opium traffic at Canton have no concern in the bodily ransfer of opium from one possession to another, how would it have been possible or the Chinese government to find those persons in the fact?—Then if they cannot ind them in the fact, they have no right to punish them.

998. You are of opinion, therefore, that under the circumstances in which the pium traffic was carried on in Canton, the Chinese government would have no ight to seize the merchants that carried it on?—No, I think not.

999. Mr. *Elliot.*] You mean without proof?—Without proof.

1000. Mr. *Gladstone.*] Without proof of their having been engaged in such ransactions?—I think you must connect them with some immediate transaction at he time. A foreigner here may be known to this Government to be engaged in xtensive smuggling transactions, and that he has a number of ships outside; but ou are not justified in seizing that person, and making him bring those ships in; ut if you detect him in the act of smuggling, you seize his property and you unish him for it.

1001. Are you of opinion that it would have been possible, under any circumtances, for the Chinese to have had legal proof of the particular acts of parties ngaged in the opium trade in Canton?—That I am not competent to speak to. had no transactions in the opium before this; I do not know how they managed t, and I do not know how they could trace it.

1002. Were not the opium transactions matter of perfect notoriety among the oreign community at Canton?—Yes. It does not appear that the foreigners were ngaged in the smuggling; the Chinese were the smugglers; they came to the hip and brought the money and took away the opium.

1003. Who wrote the orders for the delivery?—The merchants in Canton.

1004. And yet you say those merchants in Canton were not engaged in the muggling?—They were engaged in it no doubt; they sold the opium to those arties; the Chinese themselves took it on shore.

1005. You are of opinion, then, that the parties who wrote the orders were ngaged in it, and that the parties who received the orders were engaged in it?—he property belonged to the parties who gave the orders, and of course they were ngaged in it.

1006. They, in your opinion, were engaged in it?—They were engaged in the rade, no doubt; but the immediate smugglers were the Chinese.

1007. Were not the transactions in opium as much matter of notoriety as the

transactions

transactions in tea, and in silk, and in other goods among the foreign community?—Not so much as tea and silks.

1008. Were not the names of the consignees of the opium ships printed in the price currents from week to week?—Yes.

1009. Do not you consider that that constitutes notoriety?—Yes; but the mode of carrying on the business of opium is not so well known to everybody at Canton as that of tea and silks.

1010. Do not you consider that the constant and regular announcement of these transactions in the public journals at Canton constitutes notoriety?—Yes, very great notoriety.

1011. When you say that the opium transactions were not so well known as the transactions in other branches of trade, is it not a fact that all the mercantile houses in Canton, with the exception of one American house, were engaged in the trade?—I think to a very slight degree, many of them.

1012. You mean, that although all of them entered into it from time to time, yet that the bulk of the trade was, for the most part, confined to a few?—Yes.

1013. Mr. *Elliot.*] Was the imprisonment of persons confined entirely to opium dealers?—No; everybody was confined.

1014. Then it is to be inferred, that the proof of dealing in opium had nothing to do with the confinement of persons at Canton?—It had not.

1015. Mr. *Herbert.*] You say that the ships were put under the command of the captain of the Larne with a view to defence; supposing some junks had come down, and had singled out the ships containing opium, and attempted to confiscate the cargoes, would not that confiscation have been resisted by the Larne?—No doubt about it.

1016. Sir *W. Somerville.*] Is it your idea that no one is engaged in smuggling, unless he actually conveys the goods on shore; because you say that the Chinese are the smugglers, and that those who bring opium in ships have nothing to do with smuggling?—I think they have nothing to do with it, so far as to enable the Chinese to fix the fact of smuggling upon them; they are mixed up with the business no doubt.

1017. That is, you make smugglers of the Chinese, but you are not smugglers yourselves?—We supply the means of their smuggling.

1018. Mr. *E. Buller.*] You say you do not consider it justifiable to seize persons, unless those persons are engaged at the time in the act of smuggling, or unless there exists a ground for a specific charge against them?—I think so, certainly.

1019. But in either of those cases it would be justifiable?—With regard to its being sufficient that there should be a charge against him, I am not so clear upon that point; I think that to fix a man with smuggling, you must detect him in the fact, and seize the property.

1020. Supposing a cargo has been run, and that parties who were present at the running of that cargo can swear to the facts and identify the parties, will not that justify the seizing of the persons?—The parties present at the running may be punishable by their own government. A French ship may have brandy on board in the channel; if an English boat goes to her and buys it, can you punish the Frenchman?

1021. Your view with regard to the seizure of persons is, that they must either be engaged at the time in the act of smuggling, or that there must be grounds for a specific charge against them?—Yes.

1022. You do not consider it to be justifiable to seize persons only on the ground of a general notoriety?—I think not, certainly.

1023. Any more than you would consider it justifiable to seize persons in England on the ground of general notoriety of their being engaged in breaking any of the laws of the country?—Certainly.

1024. Mr. *Herbert.*] But still you hold that the Chinese had a right to confiscate the opium if they could seize it, but you acknowledge that if they had attempted to do so it would have been resisted by order of Capt. Elliot?—No doubt Captain Elliot would have protected it.

1025. Then were not the Chinese government compelled to adopt some other means?—If a man cannot obtain his object by fair means, he is not justified in adopting unfair means.

1026. You say that the Chinese government coming legally to confiscate illegal

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cargoes, would have been resisted by the captain of the Larne?—If they had come to seize them, British subjects being at that time illegally detained in Canton.

1027. You admit that they would have had a right to seize them?—They would have had a right to seize them if they could, and the other party would have had a right to resist.

1028. Mr. *Gladstone.*] Are you of opinion that if one party had a right to seize, the other party would have had a right to resist?—Decidedly; if I were smuggling I would resist all I could; it is a natural right that will be exercised, whether a legal right or not.

1029. Mr. *Elliot.*] How do you know that if the Chinese authorities had been sent on board those ships to seize opium, the Larne would have resisted?—I do not know; I suppose so.

1030. You have stated that that would have been the case, what ground have you for stating that?—I supposed so, from having taken charge of it.

1031. Then this is mere supposition on your own part, and you have no authority for saying this but from your own supposition?—Certainly.

1032. Mr. *Parker.*] Might not the captain of the Larne have permitted the seizure of the opium, but have protected the vessels in other respects?—I should think not, because Captain Elliot had more than once declared that the Chinese government should not have a chest of opium.

1033. *Chairman.*] When had he declared that?—Several times.

1034. Mr. *Hogg.*] In the absence of the captain of the Larne, was not the command to be given to the captain of the Hercules?—Yes.

1035. Was the Hercules a receiving ship?—The principal receiving ship of Jardine's house.

1036. And he was appointed to take the command in the absence of the captain of the Larne?—He was.

1037. Mr. *Elliot.*] Was not that arrangement made in contemplation of an inimical attack upon the ships, and also an attack by fire-ships upon the vessels?—Captain Elliot's own circular to the inhabitants of Macao will explain the cause of it; I have not got the words here, but he states his own reason for it.

1038. *Chairman.*] When you say that Captain Elliot several times declared that the Chinese should not have a chest of opium, what circumstances or what period do you refer to?—During the time that he was in Canton he said so. I think when he came up, and made that address at the public meeting, he said that they should not have a chest of opium, and he disapproved of the 1,030 chests being given up.

1039. Were you present when Captain Elliot addressed the European residents after his arrival at Canton?—Yes, I was present.

1040. Did he then declare that the Chinese should not have a chest of opium?—Yes, to the best of my recollection, he then said that the Chinese should not have a chest of opium, and that he regretted that the 1,030 chests had been surrendered to them.

1041. You do not know of Captain Elliott's having expressed any opinion or determination of the same kind, prior to his arrival at Canton at that moment?—No, because I did not see him, and there was no question about the seizure before that.

1042. How long before the giving up of the opium by Captain Elliot was this declaration made?—I think only three days.

1043. How long previous to the proposal to the merchants to give it up?—I think three days.

1044. In the speech which Captain Elliot addressed to the merchants at the time, did not he say that he had already made up his mind what was to be done? He did.

1045. Had that reference to the giving up the opium?—No, I should say not, be expressed his regret that any of it had been tendered to the Chinese at all; and he said that he would demand passports for us to leave within 10 days.

1046. Mr. *Brownrigg.*] In your former evidence, when you were relating what passed when Captain Elliot arrived, this question was put to you, "Did he say anything about the surrender of the opium then?" Your answer is, "No; I think he said he was sorry that the 1,030 chests had been tendered to the Hong merchants;" but you now say that he said not a chest should be delivered up?—I think he coupled the two together, that he was sorry that any opium had been tendered, and that not a chest should be given up.

1047. But

1047. But then a further question was put; "But with reference to the cession of the whole quantity nothing was said?" and your answer is, "Nothing whatever." You now say that Captain Elliot frequently asserted his determination not to give up a single chest?—It is difficult to recollect every word that is said in a long speech.

1048. Mr. *Hogg.*] When you say that the actual operation of smuggling was always performed by the Chinese themselves, you speak of a period anterior to 1838?—I understand it to be so; so far as the outside ships are concerned, I believe it is always done by the Chinese.

1049. Are you not aware that the Chinese smuggling boats were destroyed in 1837, and that subsequently to the destruction of those boats, the opium was introduced in English boats?—I am not aware of the fact.

1050. Mr. *Gladstone.*] In question 802 you were asked, with reference to Mr. Dent going into the city, "Was the opinion of the foreign community, that he should not go, an unanimous opinion?" and your answer is, "Quite." What persons do you include in "the foreign community" in that answer?—I said that I believed there were one or two, and Mr. Inglis, I believe, was one, that thought there was no danger in his going; but the opinion was general amongst all the people that he ought not to go in.

1051. When you say "amongst all the people," do you mean exclusively partners in mercantile firms?—Everybody that I conversed with there; I do not mean the Americans.

1052. When you say that the foreign community was nearly unanimous, with those one or two exceptions, do you mean by "the foreign community" other parties than those who were interested in the opium question?—Everybody that was there, everybody that I spoke to.

1053. Do you mean to include many other persons than those who were interested in the opium question?—Yes, many that had nothing to do with opium.

1054. You think their opinion was nearly unanimous, like the opinion of those interested in opium?—Yes.

1055. And that they were called upon for their opinion as well as the parties interested in opium?—I do not think everybody was called upon to give a vote upon the question. There was an assemblage of people which met at Mr. Dent's house, and Mr. Dent made an appeal to the people present, and said that he would go or not go, according to their opinion, and it was the universal cry, "No."

1056. That assembly comprehended the great bulk of the foreigners, and it was indifferently composed of the partners of houses and of other foreigners?—I think it was.

1057. Mr. *E. Buller.*] You were understood to say that you would not have surrendered your opium but for the pledge of payment on the part of Captain Elliot; what grounds had you to suppose that Captain Elliot could pledge his Government to pay for it?—I am not much of a legislator, but I read his requisition, which I have here, it is a most powerful address, and I did not see that I could do otherwise than comply with it. I thought it was clear that he would never have written it unless he had been satisfied of his power.

1058. You rested your view of his authority solely upon his powers?—Decidedly.

1059. Did you not inquire in any way into the nature of his authority; did you not look at the Order in Council, or at the Act of Parliament?—No, I did not; I had no means of looking at them.

1060. Did you hold no conversation with persons at Canton upon the subject?—There was a great deal of conversation between six o'clock in the morning and nine or ten o'clock, the time of giving all up, among the parties in the house where I was living, and it was the unanimous opinion that there could not be any doubt about the question; that Captain Elliot must have the authority, or no doubt he would not have issued this order. I only hesitated about there being no price fixed.

1061. That he had authority to guarantee the payment?—Yes.

1062. You did not suppose that he had authority to order the surrender of the opium without such a guarantee?—Certainly not.

1063. Were those with whom you conversed at the time, all of opinion that Captain Elliot had this authority?—Yes, I never heard a word said to the contrary.

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1064. In what way did you suppose that authority to be conveyed; generally, under his consular powers, or by special instructions from the Government?—Both, we thought.

1065. Are you not aware that consular powers do not give authority to the consul to pledge the Government to any such liability?—It came upon us so much by surprise, when the requisition came in the morning. There was great excitement prevailing at the time, and it was the opinion of many, that Captain Elliot had some precise object in doing this; that he was carrying out some policy which he was directed by his Government to carry out, in giving up this opium; in placing the Chinese, as it were, in the wrong.

1066. If he did it with the view of carrying out some line of policy, you would have been equally bound to surrender the opium without any guarantee for repayment?—I do not know that; I do not see that I am bound to sacrifice my property to carry out the views of the Government.

1067. Was it in obedience to the authority which you supposed him to possess, or because you thought he was the best purchaser for your opium?—It is not a demand; it is a request, pledging himself that it should be paid for.

1068. Do you consider these words "I enjoin" as a request?—Yes; and he holds out a sort of threat, that if you do not comply you must take the consequences, viz. have the protection of your Government withdrawn from you.

1069. Mr. *Parker.*] Did not you ask him whether he had the power?—No; I did not see him.

1070. Mr. *Herbert.*] You thought it was rather your business to obey his authority than to call it in question?—I thought it was my business to protect, in the best way I could, my property, which I had worked very hard for. It was the opinion of every person that I heard speak on the subject, that there was no doubt about it; that the pledge was so strong, that no man would have given it unless he had still power so to do.

1071. *Chairman.*] You thought it impossible that the representative of the British Crown in China would have issued a paper of that kind unless he had authority to do so?—I thought so. It may be a very different thing after the affair is over to sit here and question what I ought to have done, but I did it *bonâ fide*, supposing that he had authority to make the pledge.

1072. Mr. *Parker.*] Did you hear any parties ask him whether he had the power?—I did not.

1073. Did you not do it, upon the whole, as the best means of getting out of the difficulties with which you were then surrounded?—I thought it was the best thing I could do under the circumstances of the case. I thought that I could not do otherwise, in fact, when some parties had given up their opium; I do not see how I or others could have refused to do it.

1074. *Chairman.*] If you had had personal freedom you could have done something else with your opium?—I could.

1075. Mr. *E. Buller.*] If it was a mere request, and if you surrendered it to him on account of the promise of repayment, does it not follow that you would have been justified in refusing if you had considered it your interest to do so?—No doubt, but Captain Elliot held out a threat that he would in that case be no longer answerable for it, or for any protection.

1076. Then you imagined that for the security of your property it was better for you to comply with Captain Elliot's request?—I did; that otherwise the protection of the British Government would be withdrawn from my property.

1077. Do you or do you not think, that, under those circumstances, you could have retained possession of that property?—I think I could not consistently have retained it, particularly that which was not my own.

1078. Had you any reasonable expectation that if you had refused to comply with Captain Elliot's request, and the rest of the community had done so, you could have retained possession of your opium, and have avoided the surrender of it?—I think, under my peculiar circumstances, I might. I was unknown to the Chinese, and it never would have been known that I had any opium at all; but I thought I should not be justified in doing it, particularly with regard to the opium that belonged to another party, which I had lent money upon.

1079. You thought that the retaining the opium would have been so great a risk that you would not have been justified in running that risk, with reference to opium belonging to a third party?—I think that when an offer of this kind was made for it, I should not have been justified in taking the chance of anything better

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better afterwards. Here was an offer made to take it from me; I was in difficulty, I was in prison, and I think that I was bound to accept that offer; I think any man would have done the same if he had been there.

1080. Mr. *Gladstone.*] Are the Committee to understand that your feeling was this: although you thought there was a chance of saving it if you retained it in your own possession, yet you knew there was also a chance of losing it; and you thought there would be no chance of losing it if you surrendered it into the possession of the Government, and therefore you preferred certainty to contingency? —No, that was not my feeling exactly; my feeling was that it might be a long time before I should be able to realize it, and that here I had a good offer made of winding up the thing for me, and that the best thing I could do would be to accept it; I had placed it before in the charge of Mr. Johnston, and I thought it was safe, still it might be a long time before I could sell it.

1081. Mr. *E. Buller.*] Then it was a voluntary transaction on your part, in surrendering it up to Captain Elliot?—Decidedly, trusting to his pledge.

1082. Mr. *Hogg.*] Supposing you had had an opportunity of communicating with the ship on board of which your opium was, would you rather have ordered the departure of that ship with your opium, for any market you might choose, or the delivery of the opium to Captain Elliot, under his requisition?—I would have preferred the delivery to Captain Elliot; I looked upon it as such a *bonâ fide* transaction, that I considered it a certainty.

1083. So that if you had had the opportunity of ordering the ship away, with your opium on board, for the Malay Islands, or any other place you chose to direct, in preference to giving such orders, you would rather have delivered up the opium to Captain Elliot, under his requisition?—I would, most assuredly; the one was a certainty and the other was a very great uncertainty.

Anthony Daniell, Esq. called in; and Examined.

A. Daniell, Esq.

1084. *Chairman.*] YOU are a partner in the house of Daniell & Co. of Canton? —Yes.

1085. When did you go out to China?—I arrived in China in September 1834.

1086. Was your house engaged in the opium trade?—Yes.

1087. Both as matter of consignment and of personal venture of your own?— We had very little on our own account.

1088. But you received considerable consignments?—We did.

1089. Were you ever engaged in the trade within the Bogue?—No, we never were.

1090. You carried on the trade along the coast?—Outside and along the coast.

1091. To some extent?—To a considerable extent.

1092. The trade was in a state of considerable stagnation, or almost entire stoppage, in the beginning of the year 1839?—Yes.

1093. What was the reason of that?—The edicts which had been issued about that time from the Viceroy.

1094. What do you believe was the cause of those edicts coming out?— I believe the cause of them was the export of Sysee treasure.

1095. When did Commissioner Lin arrive in Canton?—On the 10th of March.

1096. Do you recollect the edicts published by him on his arrival?—Perfectly.

1097. What impression did they create amongst the foreign community in Canton?—The general impression was, that he would demand the surrender of the opium, but that it would be got over by some arrangement.

1098. Are the Committee to understand that you had any expectation of being able to prevent the surrender of the whole quantity of opium?—No idea was entertained of giving up the whole quantity.

1099. Could you have protected yourselves against such a demand if it had been made?—We should have endeavoured to have done so.

1100. How could you have done so?—By remaining firm.

1101. Had you the power of sending it away?—Not after the time of the edict, because all communication was stopped.

1102. You had the power of sending it away previously, if you had anticipated anything of the kind?—Certainly we had.

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1103. When was the first period of your being unable to quit Canton?—On the 21st, when no boats were allowed to quit Canton.

1104. Was that the day of the issuing the edict?—The edict from the Hoppo, prohibiting foreigners leaving Canton, was issued on the 19th.

1105. When was the notice given you that you were not at liberty to quit Canton?—On the 19th.

1106. What occurred between the issuing of the edict and the injunction for you to remain at Canton; did you take any steps with reference to the demand made upon you for the delivery of the opium?—On the evening of the 19th I received a message from Howqua, wishing my attendance at the Consoo-house, with some of the other foreign merchants of Canton. Amongst them were Mr. Dent, Mr. Fox, Mr. Matheson, Mr. Green, Mr. Wetmore, and Mr. Thom, the interpreter; who read to us the chop from Lin, saying that the opium must be surrendered, and he requested us to give an answer immediately; we then told Houqua and the other Hong merchants present, that we could not possibly give an answer upon so important a question, but that a general meeting of the Chamber of Commerce should be called on the 21st, which was the earliest period at which it could well be done; and on the 21st a good deal of discussion took place regarding the measures to be adopted, and it ended in a deputation being sent to the Consoo-house, to the Hong merchants there assembled, in order to inform them that they would shortly receive a letter from the Chamber of Commerce to the purport that the edict involved such important and complicated interests, a direct reply could not be given before the 27th, although it was the general feeling of the foreign community to relinquish all future traffic in opium, the emperor's desire to put it down being now apparent; at the same time we endeavoured to impress upon them the impossibility of delivering up the opium, it being almost entirely the property of merchants in India. The merchants then went into the city, and we heard nothing more till about nine o'clock the same evening, when we were requested by Mr. Wetmore the chairman, to meet at the Chamber of Commerce; it was there agreed that the attendance of the Hong merchants should be called. Howqua then stated that he had seen one of the authorities (the Kwang-chow-foo), to whom he gave our answer, which he said was of no use, and that the opium must be surrendered. Howqua continued that he was greatly excited, and that if a certain quantity of opium was not given up, two of them were to lose their heads in the morning; and that if the opium was not surrendered at 10 o'clock in the morning, he would be at the Consoo-house, and they would see what the consequences would be. A great deal of discussion took place, when Howqua mentioned that 1,000 chests would be sufficient; and to appease the exorbitant demand of the High Commissioner and save their own lives, after some consultation the foreign merchants agreed among themselves to sacrifice the 1,000 chests.

1107. Mr. *Brownrigg.*] Was this previous to or after the demand for the attendance of Mr. Dent?—This was previous to the demand for the attendance of Mr. Dent.

1108. Mr. *Clay.*] On the evening of the 21st?—Yes.

1109. Mr. *Colquhoun.*] What day of the week was that?—Thursday.

1110. *Chairman.*] Will you state what further occurred?—On Friday morning there was an answer sent that this quantity was not sufficient, and also, I think, at that time, Mr. Dent was requested to go into the city, which at first he had some idea of doing, but when it became generally known, parties advised him not to go unless he could get the guarantee of the Commissioner for his safe return. The Hong merchants said they would do so; which was rejected, as their guarantee could in no way control the acts of the high commissioner. Then, I think, it passed over till Saturday morning, when there was a meeting of the Chamber, at which I was not present; but I went over to Mr. Dent's about 11 or 12 o'clock of the Saturday, and there saw the Hong merchants in chains, at least Howqua and Mouqua had chains; they were sitting in an ante-room; they had come to request Mr. Dent's attendance, and they said that if he did not come immediately, soldiers would be sent to take him before the Commissioner; however, it was put to the community whether Mr. Dent should go or not; they said, most decidedly not; that they did not think it safe that he should go in. They then went into the Consoo-house, and stated Mr. Dent's answer; that Mr. Dent was no longer acting as a private individual, but that it was the determination of the whole foreign community that Mr. Dent should not go into the city, unless they had a guarantee

from

from the commissioner. Afterwards a Wei Yuen and the Namhoy came to the house, and several times asked Mr. Dent whether he would go into the city or not, to which he replied "No; that the foreign community had determined that he should not go; at the same time that he was very sorry to do anything which should annoy the Commissioner in any way, but that he was unable to go, unless with his guarantee." Mr. Inglis was then asked to go to the Consoo-house with Mr. Dent's message, which he did, and he then volunteered to proceed into the city, where he was detained till about nine in the evening. The Hong merchants afterwards came to Mr. Dent, about 10 or 11 o'clock, and repeated their desire for him to go in, which he again declined; and upon its being represented to Howqua that the following day was Sunday, it was conceded that no molestation should be offered on that day. Nothing transpired till about six o'clock on the Sunday evening. I was walking in the garden in the front of the factory, and we saw a boat coming up with English colours flying and a pendant; it was Captain Elliot, and he arrived about half past six. There was an endeavour to cut him off by one of the Mandarin boats in front of the landing-place; but he managed to get in, and landed about half past six. We ran to meet him in the garden, in front of the British factory. He asked us to go up to the Hall with him. First of all he asked for the union jack, which could not be found, and immediately they planted a small union jack, which they had in the boat, on the top of a flag-staff. He immediately asked for Mr. Dent, whether he was safe, and on learning that he was in his own factory, he proceeded there, accompanied by all who met him; and in about 10 minutes he returned with Mr. Dent into the Hall where all the foreign community were assembling, and to whom he read the address which he published on the 23d at Macao. He then stated that he was glad that he had succeeded in arriving amongst us in this difficult position, and that he should be very happy to afford us any assistance in his power; that the H. M. ship Larne, although of small force, was outside, and that if we were compelled to force our way down we should certainly have his support, and have the assistance of the ship outside at the mouth of the Bocca Tigres; he said, that he did not wish to be offensive to anybody, but that he intended to act without the advice of others, or else it might be considered that he was favouring some parties in Canton, and that he was acting entirely upon his own responsibility, upon the powers of his office. The meeting then dispersed. Nothing occurred, except that immediately after that it was agreed to establish a kind of guard in our hong, which was part of the same hong as Captain Elliot's, and we kept on guard every two hours alternately, the different parties residing there. The Hong merchants of course came in during the evening of Sunday and on Monday; but nothing was known of what was going on from Captain Elliot until Wednesday morning, when Captain Elliot called upon us to surrender the opium on the morning of Wednesday.

1111. When were the Chinese servants removed?—They began to leave immediately upon Captain Elliot's landing; at least, about half an hour afterwards; some of our private servants had gone previously; our compadore had left on Friday.

1112. When were the provisions stopped?—On the Monday.

1113. When were the servants removed by command?—About half an hour after Captain Elliot's arrival one of the linguists came through the hongs to order them all off. I omitted to state, that almost immediately after Captain Elliott's arrival, the whole space in front of the foreign factories was occupied by Chinese guards, and the river blocked up with three rows of large boats, moored in the form of a crescent, filled with soldiers, so that all communication was completely cut off.

1114. Had you taken any measures to guard against the scarcity of food?—Yes, we had.

1115. To a considerable extent?—No, not to a considerable extent; we had several fowls and things of that sort laid in; we might have gone on for a fortnight or three weeks, with biscuits and stores that we had from England.

1116. You had no immediate fear of starvation?—No.

1117. Mr. *Elliot.*] Do you mean that the whole of the foreigners might have gone on for a fortnight?—I do not know what supplies others had, but some had done it to some extent also.

1118. You do not know what quantity of provisions had been laid in for the whole number of foreigners there?—That I cannot answer; we had merely laid in a few fowls.

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1119. Mr. *Colquhoun.*] Is it your impression that the majority had done as you had done?—Yes.

1120. Mr. *Elliot.*] When you say the majority, do you mean houses or captains and seamen?—No; I mean the houses of residents in Canton.

1121. If those provisions had been divided amongst the whole number confined, can you form any notion how long they would have been able to hold out?—I do not know what the others had at all; of course everybody would have divided the provisions he had with the others as long as they lasted.

1122. When you say that you and that others had provisions for a fortnight or three weeks, you do not mean to say that if those provisions had been divided amongst the whole number they would have lasted them for that period?—No; simply for our own establishment.

1123. *Chairman.*] Was the supply of water cut off?—They would not allow any water to be brought into the factories.

1124. Is there any water within the factories?—Yes, but not wholesome water; the drains run from the different houses into it; the river flows in, but there is a great deal of dirt.

1125. Are there wells?—No; it is a large sewer more than a well.

1126. The only supply of water to the factories is from the river?—Yes, it is brought in by coolies every day for common purposes, but at the same time we usually get our supply of drinking water from a spring in the city.

1127. Mr. *Hogg.*] Is it usual to have water in in quantities, which you purify for the purpose of drinking, and keep a stock of?—Yes; about every six months they lay in a supply of water for their drinking, which they purify.

1128. Then, the supply is generally a supply which lasts three or four months?—Yes; for drinking, many have a few large jars for their own consumption.

1129. Sir *C. Lemon.*] Your access to those was not cut off?—No; not to the jars.

1130. Mr. *Elliot.*] Are those supplies laid in by the different houses, or are they laid in by the whole community?—By the houses separately; by their own coolies.

1131. So that the whole community had not access to this water?—No, but I believe each house supply their own wants in that way.

1132. Mr. *Hogg.*] Was it the usual practice of every resident at Canton to have a stock of water in his own house for the purposes of drinking?—Yes, I think it was very general.

1133. Sir *C. Lemon.*] In point of fact, were you under any alarm of a drought of water?—They deprived us of getting water for the purposes of cooking, and things of that kind.

1134. But you had no immediate apprehension of being deprived of water?—They did not endeavour to take away the water we had in our jars.

1135. The sources you had under your control were sufficient for your supply for a time?—Yes.

1136. Mr. *Gladstone.*] Was any actual inconvenience suffered during the time that the supply from without was cut off?—No; we had water sufficient to go on with.

1137. Are you aware whether any portion of the foreign community was in actual want of good drinkable water?—I am not aware that they were.

1138. For how long was the supply of water cut off?—For a week, I think.

1139. For how long was the supply of provisions cut off?—A week.

1140. Was not the access to provisions permitted when the arrangement for the delivery of the opium was made?—No; not till afterwards. I think it was on the 30th that there was a present sent of provisions to Captain Elliot.

1141. Both provisions and water began to be cut off from the time that Captain Elliot arrived?—Yes; on Monday.

1142. And they continued to be cut off from the Monday till when?—Till the Saturday, I think it was.

1143. *Chairman.*] What you mean is, that there was water within your walls besides the drinking water, but it was not wholesome for the purposes of cooking?—No; it was not used for consumption, it was merely used for washing the hongs.

1144. Mr. *Colquhoun.*] From what source did other persons who were not within the houses that had a supply of water, such as seamen, draw water for their use during those five days?—They were either provided at the hotel, or they were residing at the different houses.

1145. Mr.

1145. Mr. *Hogg.*] Had not there frequently before been a temporary deprivation of servants, and of supplies of food?—Not frequently.

1146. Occasionally?—I think Lord Napier's was the last time when the servants were taken away.

1147. But occasionally the Chinese authorities have, on disputes and differences arising, taken away the servants, and stopped the supplies?—I have heard that, on previous occasions, servants have been taken away.

1148. And supplies stopped?—Not that I am aware of.

1149. Mr. *Colquhoun.*] Your residence does not extend so far back as 1830?—No; I arrived there in September 1834, just after Lord Napier arrived.

1150. Sir *George Grey.*] Did the stoppage of the water and the provisions occasion any extraordinary alarm and apprehension on the part of the foreign community at Canton?—They thought it rather a serious step, of course.

1151. *Chairman.*] Was there much alarm amongst the foreign community?—There was a good deal of excitement.

1152. Was that general, or was it confined to those who had newly arrived, and who were not acquainted with the practices of the Chinese government?—I should say, more to those who had newly arrived.

1153. Those who had been there for some years were not so much alarmed as those that had newly arrived?—No, I should say not, certainly.

1154. Mr. *Clay.*] But they had an impression that the Chinese government were more in earnest than they had been on former occasions?—Yes, from the fact of their having stopped the supplies of food in the way they did.

1155. *Chairman.*] You say that on the Wednesday morning, the 27th, Captain Elliot called upon you to give up your opium in common with the rest of the community; did you give up your opium?—We did.

1156. Mr. *Hogg.*] Previous to seeing Captain Elliot's requisition, had you ever heard from him, or from anybody else, that he had it in contemplation to issue such an order?—No, I never heard it from him.

1157. The first intimation you ever had of the requisition, or of any intention to issue the requisition, on the part of Captain Elliot, was seeing the requisition itself?—It was.

1158. Then there could have been no remonstrance against the requisition, on behalf of yourself or other members of the foreign community?—No.

1159. *Chairman.*] What quantity of opium did you surrender?—1,456 chests.

1160. On what ground did you comply with Captain Elliot's requisition to give up the opium?—From the terms of his circular, expecting that we should be remunerated by the Government.

1161. Did you believe then that Captain Elliot had a right to call upon you to give up the opium?—Certainly.

1162. Did you believe that you had the right of refusing, or of acquiescing, as you thought best?—No; we were called upon by Captain Elliot to deliver it to him on the terms of his "Notice" of the 27th March.

1163. Sir *G. Grey.*] Then you would have delivered it up whether he promised remuneration or not, his right to claim it being the same in either case?—No. We could not have delivered it up to Captain Elliot if he had not promised remuneration.

1164. Do you mean that you would have told him that he had no right to claim it?—We could not have delivered it up without he had offered us remuneration, as we should thus be throwing away an immense value of property.

1165. But you would have entertained the same opinion as to his right?—We did not know what Captain Elliot's full powers were.

1166. Mr. *E. Buller.*] You did not give it up under the impression that Captain Elliot was vested with an unlimited authority?—We gave it up under the impression that he had full power to demand it from us, as he expressed in his "Notice."

1167. If he had required the surrender of the opium without any promise of indemnity on the part of the Government, you would not have given it up?—Certainly not.

1168. You would not conceive that he had any authority to call upon you unconditionally to surrender the opium?—No.

1169. It was not so much in obedience to Captain Elliot's authority, as in anticipation of the remuneration that you would receive from the British Government that you gave it up?—It was in obedience to his authority that we gave up the opium, relying most implicitly on his pledge.

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1170. Did you then imagine that Captain Elliot had unlimited authority over the British merchants at Canton, to the extent that he might have called upon them to surrender their opium unconditionally?—I certainly imagined he had the authority he set forth in his "Notice."

1171. Mr. *Brownrigg.*] Without payment?—Not without remuneration.

1172. Mr. *E. Buller.*] Did you give up your opium under the impression that Captain Elliot had authority to demand it under any circumstances, or did you give it up under the impression that Captain Elliot was authorized to pay for it by the Government?—We gave it up under the impression that Captain Elliot was authorized to receive it for the use of Her Majesty's service, and under the full conviction that he had power to do so, and to remunerate us for it.

1173. That is to say, you were under the impression that Captain Elliot was authorized to pledge his Government for the payment; but you were not under the impression that he had authority to call upon you to surrender the opium without remuneration?—We could not have given over that property to Captain Elliot unless he had given us the guarantee of the Government for it.

1174. But if Captain Elliot was invested with this unlimited authority he might have called upon you to surrender it without remuneration, trusting to the British Government to obtain an indemnity for you from the Chinese government?—We could not have given it up under those circumstances.

1175. Then you were not under the impression that Captain Elliot was vested with that absolute authority?—We were under the impression that he had authority to receive it, and pledge his Government to reimburse us for it.

1176. That he was authorized to make a bargain with you for the opium, but that he was not authorized to compel you to deliver it up?—We thought he had full authority to call upon us for it in the way he did.

1177. Mr. *Hogg.*] Would you think it within the competency of any public authority to exact from British subjects, in any part of the world, the surrender of their property without any remuneration for it?—I should think not.

1178. Mr. *Herbert.*] In fact, you never thought that Captain Elliot had the power to seize the opium, but only the power to buy it?—Only the power to buy it.

1179. Mr. *E. Buller.*] On what did you found your opinion that he had the power to buy it?—From his calling upon us in the way he did for the surrender of it.

1180. You never asked yourself the question, how it was possible for Captain Elliot to have such a power?—We certainly thought he had full powers, but he never told us what his powers were.

1181. Did you never ask yourselves the question, how it was possible for Captain Elliot to have that power?—We had some conversation about it, and we were fully impressed that Captain Elliot would never have called upon us to deliver it up unless he had full authority.

1182. How did you suppose that such an authority could be conveyed to him?—From the instructions of the Government.

1183. Did you ask yourself the question, whether it would be possible for the Government to give such instructions?—We were in ignorance what the instructions were.

1184. Was there any probability that the instructions could have been to that effect?—In the circumstances of China, and in the state of the trade altogether, we thought there might have been powers of that kind granted to him.

1185. Did you think it possible that the British Government could have given Captain Elliot instructions to do whatever he thought right, and that those instructions could enable Captain Elliot to pledge the British Government to that extent?—It is impossible for me to say what the Government would do, or what their instructions were; we should never have thought that Captain Elliot would have called upon us for that immense surrender of property, unless he had the power.

1186. *Chairman.*] In fact, that was the only thing you went upon; you placed implicit confidence in him, and thought he would not have called upon you in the terms of the notice for the surrender of your property, unless he was authorized to do so?—Certainly.

1187. Mr. *E. Buller.*] And you never took the trouble to inquire into the nature of Captain Elliot's powers under the Act of Parliament, or under the Orders in Council?—Captain Elliot, at a meeting some time previously, stated that it was not in his power to publish his instructions.

1188. Mr. *Herbert.*] Did you conceive that Captain Elliot was the best authority as to what his powers were?—Certainly; he had stated, at a public meeting in December, that it was not in his power to publish his instructions.

1189. Sir *George Grey.*] Had you heard at this time of a previous surrender of opium to Mr. Johnston before Captain Elliot's arrival?—Yes.

1190. *Chairman.*] Do you know under what circumstances the surrender to Mr. Johnston was made, and by whom?—There were two or three houses mentioned as having surrendered on the Saturday, I think; they said they placed it with him for safe custody; that, I think, was the plea upon which they put it.

1191. Mr. *Clay.*] Your house had made no such surrender?—No.

1192. *Chairman.*] Was there any opium at Canton at the time of Captain Elliot's arrival?—There was a small quantity.

1193. What do you call a small quantity?—I think it was under a chest.

1194. Had you any consultation, either amongst the partners of your house, or with other members of the foreign community, before you decided upon complying with the terms of Captain Elliot's notice?—I had some conference with my partner upon it.

1195. When you received the notice?—Yes; and also in the course of conversation outside as to the general opinion.

1196. Had you any hesitation in complying with the requisition?—No; when we read the terms of the requisition we had none.

1197. Was the whole of your opium at Lintin?—No; part of it was on the coast.

1198. But it was all outside?—Yes.

1199. Mr. *Clay.*] Was the tenor of that notice matter of very great surprise to you?—It greatly took us by surprise.

1200. *Chairman.*] Are you prepared with any statement as to the cost of the opium then in China; do you know what your own opium cost you per chest?—I have not the statement of the exact cost at present with me.

1201. Can you give the Committee an idea of about how much it cost you?—I should think that Patna stood us in above 520 or 530 dollars per chest, and the Malwa above 600; the quantity belonging to ourselves being small.

1202. Mr. *Clay.*] Were the chests of Malwa opium of the same weight as the Patna and Benares?—The Patna and Benares are heavier.

1203. What is the weight respectively of those chests in English pounds?—The Malwa ought to weigh, on leaving Bombay, about 140 pounds, the net opium in the package.

1204. And what the Patna and Benares?—About 116 to 120 cultees; equivalent to 150 or 160 pounds.

1205. Is not the opium packed in balls of about 2 pounds weight each?—The chests of Patna and Benares contain 40 balls; the Malwa is in small flat cakes.

1206. Sir *Charles Lemon.*] Did anything pass between you and Captain Elliot with regard to the price that was to be paid for the opium?—No.

1207. Mr. *Elliot.*] Was the opium given up without any agreement regarding the price?—Yes.

1208. Might he then have retained it without paying any price at all?—No; because that would have been contrary to the terms of his "Notice."

1209. *Chairman.*] You consider that the value of it was to be settled subsequently?—Yes.

1210. Was that the tacit understanding?—It was according to the terms of his "Notice."

1211. Mr. *E. Buller.*] You state that there was no remonstrance before the issuing of Captain Elliott's injunction to deliver up the opium; are you aware of any remonstrance having been made after the issuing of that injunction?—No.

1212. You did not yourself remonstrate with Captain Elliot at all against so doing?—No.

1213. But you immediately complied with the terms of his order?—We immediately did so; we handed him, the same evening, orders upon the captains of the different receiving ships.

1214. Sir *Charles Lemon.*] Did you sign one of the petitions referred to this Committee?—I believe my partner did.

1215. Mr. *Brownrigg.*] What is the name of your partner?—Wilkinson Dent.

1216. You said, in the first part of your evidence, that previous to the 21st of March, you had power to send the opium away if you had thought fit, the

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receiving ships were always in a state fit to go to sea?—They can always go to sea at very short notice.

1217. What length of notice?—In a very few hours they would have their masts and sails up; they are all on deck.

1218. What quantity of other property was there in the ships lying at Lintin about that time?—I cannot say what other property was there; sometimes there might be woollens, or other merchandise.

1219. But, generally speaking, those ships have opium only?—They were principally receiving ships.

1220. It was not the custom much to put other goods into the receiving ships, but generally they were brought up to Canton?—Except on a few occasions; some ships came up bound for Lintin or Manilla, and left their cargoes on board those ships; but as soon as it could be done, they were taken up to Canton.

1221. So that, generally speaking, those ships at Lintin, the receiving ships as they are called, have opium only?—Yes.

1222. Mr. *Elliot.*] Were not some of those ships so unfit to go to sea, that they were obliged to be sold in the end?—Not that I am aware of.

1223. In the speech which Captain Elliot made after his arrival at Canton, do you remember whether he said anything about his determination not to give up any opium?—I think he stated that it was his intention not to give it up.

1224. He stated that he was sorry that 1,000 chests had been offered to be given up?—I think he stated that.

1225. And you say that besides that, he stated that he would oppose himself to giving up any opium?—I think he said words to that effect, but I am not certain; there was a good deal of bustle and confusion in the room at the time.

1226. Did you object to giving up your opium when you were called upon to do so?—No.

1227. Do you know whether anybody objected?—I am not aware that anybody objected.

1228. Are you not of opinion that everybody was very glad to give it up on the terms proposed?—I do not think they were very glad to give it up.

1229. You said that it was your opinion that by remaining firm you might have retained the opium?—That we might have come to some arrangement with the Chinese government; that was my impression.

1230. Is that your opinion now?—My opinion has altered since a good deal; I never expected the things that have occurred since.

1231. You said that you were under considerable alarm before Captain Elliot arrived in Canton?—Not considerable alarm; we thought things were looking serious.

1232. But there was no great alarm at that time?—A good deal of excitement from the very circumstance of this chop being out; we hardly knew what to think about it.

1233. The question refers to decided alarm; do you conceive that the European community at the time were in a state of very serious alarm or not?—Some parties who were new comers were more excited than the older residents there.

1234. Do not you conceive that the whole foreign community of Canton were at that time in a very serious state of alarm?—I do not think they were in a very serious state of alarm.

1235. *Chairman.*] Did you apprehend any danger to life?—I did not myself think there was any danger to be apprehended from the Chinese Government; the only fear which I should say was generally apprehended was, perhaps, that the mob might come in upon us; there was a very large collection, at least so we were told, of people who had come down from the country, and who were still in the vicinity of the factories.

1236. Mr. *Gladstone.*] What do you suppose the Chinese intended to do to Mr. Dent if he had gone into the city?—I think they intended to detain him there.

1237. Do you think they intended anything more than imprisonment?—I think, from what has since taken place, they would have confined him for some time, but whether they would have proceeded to taking his life, I do not feel prepared to answer the question.

1238. What was your impression at the time; did you at the time anticipate anything more than imprisonment in the event of his going into the city, and refusing to deliver up his opium?—I do not think they would have taken his life.

1239. Did you anticipate anything more than prolonged imprisonment?—No.

1240. Sir *G. Grey.*] Did you concur with the rest of the community in thinking that Mr. Dent ought on no account to go into the city?—Yes.

1241. Mr. *Gladstone.*] You have said, in the early part of your evidence, that the community would have remained firm if it had not been for the arrival of Captain Elliot, and his offer to take the opium into his own possession; when you used that expression, to what inconveniences or dangers do you think the community would have been exposed in the event of Captain Elliot not having arrived?—From the assurance of Howqua, my own impression was, that the giving up the 1,000 chests might, at that time, have satisfied the Commissioner; and that arrangements would have been made for the receiving-ships to have left China, and thus the matter would have been settled.

1242. When you say that the community would have remained firm, do you mean, that you think the community would not have consented to anything more than that the 1,000 chests should be delivered up, and that the receiving-ships should quit China?—I think that was the general impression.

1243. Mr. *Colquhoun.*] Would you have consented had the Chinese government made the same demand upon you which Captain Elliot had made, that you should surrender the whole quantity of opium?—Certainly not.

1244. Mr. *Clay.*] They did make such a demand in the edict?—They demanded an unconditional surrender.

1245. Mr. *Colquhoun.*] Then you were not, in consequence of the state of alarm which you were in, prepared to abandon the whole of your opium to the Chinese government?—No.

1246. Sir *George Grey.*] Not if the Chinese had coupled the demand with the promise of payment, as Captain Elliot did?—I do not think the parties would have given it up upon those terms, unless the dollars had been paid.

1247. You would not have thought the promise of the Chinese such good security for payment?—Certainly not.

1248. Mr. *Gladstone.*] Supposing that Captain Elliot had not come to Canton, and that the foreign community had offered those terms which you have just specified, namely, the surrender of 1,000 chests, and the departure of the receiving ships, to what further measures do you think the Chinese government would have proceeded?—My idea was, that the thousand chests would have been given up, that the ships would have gone away, and then, that Lin would have represented to the Court at Pekin that he had made a seizure and put a stop to the trade, and that the ships had gone way; and I think then the Court would have been satisfied.

1249. Mr. *Clay.*] You have stated, that on the Friday Howqua brought back a message to say, 1,000 chests were not considered enough by the Commissioner, and on Saturday morning you saw him in chains; how is that consistent with what you state to have been your opinion that the Commissioner would have been satisfied with 1,000 chests?—It was my opinion at that time that that would have been sufficient.

1250. Was that your opinion on the Saturday morning, after the positive refusal to accept 1,000 chests brought back by Howqua?—No; because Howqua then said it was not sufficient; but I still thought that he would be brought in to terms.

1251. Did not Howqua, on Saturday morning, state that the Commissioner would not accept of 1,000 chests, and still demanded that Mr. Dent should go into the city?—He did.

1252. Mr. *Colquhoun.*] But you thought, in fact, that you were making terms with the Chinese government, they demanding as much as possible, and you offering as little as possible, and that a medium would be struck between you, which medium, you conceived, would be about 1,000 chests?—Yes; I thought that would have been sufficient.

1253. *Chairman.*] You think they would have coupled with that a condition that the ships outside should go away?—Yes.

1254. Mr. *Gladstone.*] Was the general meeting held on the 21st largely attended?—Yes, it was; nearly all the foreign merchants in Canton were there.

1255. Was the message offering to comply with the Emperor's wishes, and to stop the trade, conveyed as formally as communications generally are from the mercantile body to the Chinese authorities?—The communication was made to Howqua. The merchants assembled on the Thursday, and on the 25th signed a pledge, stating that, according to the imperial will, and seeing that it was the wish of the Emperor to put down the trade, they would engage to deal no more in opium; and it was on the 25th of March that that was sent in.

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1256. Did you sign that?—I did.

1257. Later in the course of these proceedings, after Captain Elliot had come to Canton, after the supplies had been stopped and the servants removed, what was it your impression the Commissioner Lin contemplated; did you think it was his intention to reduce the whole foreign community to surrender themselves prisoners?—We were all prisoners at the time of Captain Elliot's arrival; we were prisoners from the 21st. On the Monday we did not think much about it, for Captain Elliot was then in communication with the authorities. We heard nothing from them after the Saturday. On the Sunday they said they would not interfere with us, it being our day of worship, and we heard nothing more from them.

1258. To what measures do you now believe that the Commissioner would have proceeded, supposing that Captain Elliot had not come up to assume the responsibility which he did assume, and supposing that the merchants had persisted in refusing to deliver the opium?—I do not know what he would have done; we have seen what he has done since with regard to the whole community and the whole trade.

1259. Do you believe that there was any danger of his inciting the mob to attack the factories?—There seemed to be an apprehension that they might be let loose, at least that the police might not be able to restrain them, and even in his edict he hints at such a step.

1260. Are you not able to state what you now think the Commissioner would have proceeded to do in the event of the foreign community having refused to surrender the opium?—He has carried out his edicts so far since, that one now naturally supposes that he would have resorted to his threats.

1261. Do you mean that an expulsion from Canton was to be apprehended?—Yes, he expelled me from Canton.

1262. Do you think anything still more severe than expulsion was to be apprehended?—I hardly know what lengths he might have gone to.

1263. Mr. *Clay*.] Do you think he would have taken Mr. Dent by force?—I now think that he would.

1264. Sir *G. Grey*.] When you speak of expulsion, do you mean expulsion from Canton, without compelling the delivery up of the opium belonging to the parties then at Canton, or expulsion from Canton after the delivery up of the opium?—I mean expulsion after the delivery of the opium.

1265. Mr. *Clay*.] Judging by what has occurred, do you think he would have proceeded to coerce you into a surrender of the opium, by a continued privation of food and water?—From what has since occurred I should say that he would, certainly; he is quite a different character to other Chinese authorities we had ever been accustomed to treat with.

1266. Mr. *Colquhoun*.] You judged at the time from what you knew of former acts of the Chinese government, and judging from those acts you had no fear of personal violence?—No.

1267. Mr. *Gladstone*.] Do you now think that there was any fear of personal violence to the community in general at any period previous to the surrender of the opium?—Very little occurred between Sunday and the delivering up of the opium; there was nothing going on, everything was quiet, as all communication was reserved to Captain Elliot and the Commissioner.

1268. Is it your impression that during any part of the period previous to the surrender of the opium, there was any well-grounded apprehension that the Commissioner would proceed to personal violence towards the foreign community in general?—As I stated before, I was led to think we might have been enabled to come to terms with Lin.

1269. Do you mean that you never abandoned the hope of being able to come to terms till Captain Elliot came up?—Not till Captain Elliot came up.

1270. Then you had not abandoned the idea of coming to terms at the time when Captain Elliot's arrangement was proposed?—Immediately upon Captain Elliot's appearance in Canton, all negotiation was assumed by him; and we were ignorant of the communications that passed between him and the high commissioner from the 24th to the 27th.

1271. But when Captain Elliot came up you had not abandoned the idea as hopeless, of making terms with the Chinese government?—Not when Captain Elliot arrived.

1272. Mr. *Colquhoun*.] On the contrary, you had a proof of the forbearance

of

of the Chinese government at the time, because they respected the Sunday?—Yes.

1273. Mr. *Elliot.*] Amongst the printed papers there is a memorial to Lord Palmerston, signed by most of the residents at Canton, dated the 23d of May; do you remember that memorial?—Yes.

1274. Were you a party to it?—It was signed by the firm.

1275. And of course you concurred in it?—Yes.

1276. Your attention is requested to the following paragraph in that memorial. "We feel it our duty to express to your Lordship our deep sense of the public spirit which induced this officer, at no inconsiderable risk, to endeavour to rescue British life and property from a position of fearful jeopardy; and we may assure your Lordship that but one feeling existed of the extreme peril of the whole community, when he succeeded in forcing his way to Canton, and took charge of all responsibility in the negotiations with the Chinese government." Have you seen any reason subsequently for altering the opinion which you then expressed in that memorial?—No.

1277. *Chairman.*] Do not you think the subsequent measures of Lin strengthened the impression that the foreign community were then in danger?—Certainly; they strengthened the opinion that we entertained at the time.

1278. Mr. *Elliot.*] Then it is still your opinion that life and property were at that period in a state of fearful jeopardy?—They were in danger, certainly, at that time.

1279. And you are also of opinion that there was but one feeling upon the subject among the community at Canton?—Certainly, there was a general feeling; I will not say with everybody, but there was a general feeling that they were in a state of great jeopardy.

1280. *Chairman.*] You were understood to state that the sense of insecurity and danger was stronger amongst those that had recently arrived than amongst the older residents?—It was.

1281. Sir *G. Grey.*] Are not the older residents amongst the parties whose signatures are attached to that memorial?—Yes, they are.

1282. Some of the oldest residents at Canton?—No, not some of the oldest.

1283. Is not the house of Dent & Co. one of the oldest established at Canton?—Yes.

1284. Are those signatures at all limited to parties who had but recently come to Canton?—No; I believe nearly all the houses are there.

1285. Do these signatures comprise a fair representation of the British community at Canton?—Yes.

1286. *Chairman.*] In fact, almost all the houses signed it?—Almost all; that of Jardine & Co., I see, is not here.

1287. Mr. *Gladstone.*] Are you of opinion that the lives of the British community, in general, were in danger at the period when Captain Elliot came to Canton?—From what has taken place since, I certainly consider they were in greater danger than I had at first apprehended.

1288. Are you of opinion that the lives of the British community were in danger at that period?—I should say that they were certainly, from what has taken place since.

1289. Were you of that opinion at the time when Captain Elliot arrived, that the lives of the British community were in danger?—I did not consider that they were at that moment in danger, because, as I said before, I then hoped by negotiation, that by the delivery of 1,000 chests of opium, and the ships being sent away, the matter would be brought to an amicable adjustment.

1290. Mr. *Colquhoun.*] This memorial was not signed till three months after the transaction?—It was not signed till the 23d of May.

1291. And, in the evidence you have given before this Committee, you have spoken of what your impression was at the time the transaction took place in the end of March?—Yes.

1292. Sir *George Grey.*] How long is it now since Captain Elliot arrived at Canton?—Fourteen months ago.

1293. Is not it probable that your impression as to the state of feeling of the community, at the distance of three months, would be more correct than your impression at the distance of 14 months?—No, I judge from what I have seen since.

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1294. *Chairman.*] Have you any written statement to put in with regard to the price of opium?—I have a statement of the price at different periods; I have with me the prices of Malwa opium in China from the 18th of July 1838 to the 25th of November 1838. The highest price of Malwa was 675 dollars, and the lowest price 550; the average, about 595: for Patna for the same period, from the 26th of August 1838 to the 25th of November 1838, the highest price was 607, and the lowest 530.

1294*. How late do you bring it down?—To the 25th of November.

1295. Is that the latest period at which you can give the prices?—That is the latest period.

1296. There were no transactions of any importance subsequently?—No.

1297. Do you know of any at all after that?—I think there was some sold at Macao and Hong Kong about January at about 500, but it was a small quantity.

1298. Was that considered a low price?—It was, but there were very few transactions.

1299. When the opium was delivered up, and the whole thing was settled, and when you quitted Canton, how did you manage with regard to any money in dollars that you might have in Canton at the time; did the Chinese allow you to take them away with you?—No; they said we could not take any with us.

1300. How then did you manage?—We managed it by transfers; suppose we owed 100,000 dollars, or whatever it might be, to another house, and that house owed a particular Hong merchant a certain sum of money, we paid it over to him, and we arranged it amongst ourselves.

1301. Mr. *Clay.*] When did you leave China?—On the 23d of June.

1302. Has your house been engaged in the opium trade since the surrender?—No; a small quantity, about 50 chests, came in, which I believe we disposed of.

1303. At what period was that?—It was just before I left; it was shipped previous to the accounts of the surrender reaching Bombay.

1304. To whom was it delivered?—I do not know; it arrived just at the time I was leaving, just the day previous, and of course left to the management of my partner.

1305. Sir *William Somerville.*] What was the date of your departure from Macao?—The 23d of June.

1306. Mr. *Clay.*] Was that small parcel of opium delivered upon a previous contract, a contract made prior to the surrender to Captain Elliot of the 2,000 chests?—No; it was a small quantity sent on by one of our constituents who was not aware of the surrender.

1307. At what price was that sold?—I do not know.

1308. Was it delivered to parties from on board the receiving ships at Lintin?—I do not know, because it arrived only the day before I left.

1309. You do not know by what means it was introduced into China or into Canton?—It could not have gone to Canton; the port was closed.

1310. You do not know by what means it was introduced into any other port of China?—I imagine it was introduced in the way in which it has usually been before, by vessels upon the coast.

1311. Sir *William Somerville.*] The opium was on board the vessel in which it had arrived when you came away?—Yes.

1312. Mr. *Clay.*] Have you any knowledge of the trade in opium, which has been carried on since the surrender of the opium by Captain Elliot?—No; nothing more than by report.

1313. You yourself, or your house, have had no trade in opium since, except this one transaction to which you have referred?—No other.

1314. *Chairman.*] That originated before the news was known in India?—Yes, it originated long before that.

1315. Do you believe, from the means of information open to you, that there has been a considerable trade in opium carried on since the period of the surrender?—There has been a good deal.

1316. Mr. *Gladstone.*] Was the guarantee demanded by the foreign community, in answer to the requisition of the Commissioner, that Mr. Dent should go into the city, a guarantee of his immediate return, or only of his safe return?—Of his return within 24 hours.

1317. Who composed the meeting that demanded that guarantee; did it consist exclusively

exclusively of the partners in houses interested in the opium traffic; or did it consist of the whole foreign community generally?—The foreign community generally.

1317*. It was attended by others who were not partners in houses as freely as by those who were?—Yes; it was a public meeting; it was at Mr. Dent's house where the question was put; everybody had ingress and egress.

1318. It was thereby broadly distinguished from the meetings of the Chamber of Commerce?—So far as that it was not held at the Chamber; I was not present at the meeting of the Chamber on the morning of Saturday; they then adjourned to Mr. Dent's house, where the question was put whether Mr. Dent should go into the city or not; and there was a very large assembly of all the community.

1319. Would a meeting of the Chamber of Commerce include any other persons than partners in firms?—Yes; a public meeting of the Chamber does.

1320. Are there any members of the Chamber of Commerce besides merchants?—No, none; the Chamber of Commerce summoned a public meeting.

1321. Were those members of the foreign community who were not interested in opium as much parties to the decision, that Mr. Dent should not go into the city, as those members of the foreign community who were interested in opium?—Yes.

1322. Mr. *Brownrigg.*] At the time this resolution was come to, at a meeting of the whole community, not to permit Mr. Dent to comply with the demand of the Commissioner to attend in the city, were any of the Chinese officers present, or any of the Hong merchants?—They were in a separate room below stairs.

1323. But the decision of the community not to permit Mr. Dent to comply with the requisition of the Commissioner was communicated to them?—Mr. Dent, I think, went down and told them.

1324. And that was the reason assigned for Mr. Dent not complying with the requisition, that he would not be permitted to do so by the community at large, unless certain conditions were complied with?—Yes.

1325. Were there any Chinese officers present besides the Hong merchants?—I think a Wei Yuen and the Namhoy was present on one occasion, and it was communicated to them.

1326. And of course it would have been communicated to the Commissioner that that was the reason assigned why Mr. Dent was not allowed to come into the city?—Yes; the Kwang-chow-foo was waiting at the Consoo-house for the result.

1327. Sir *Charles Lemon.*] What is the office of the Kwang-chow-foo?—He is the Lord Mayor of the city of Canton.

1328. Mr. *Hogg.*] Captain Elliot gave orders or acknowledgments to the merchants who delivered up the opium, specifying the quantity, and the price was afterwards settled?—It was left to be adjusted.

1329. Was it not subsequently adjusted?—No.

1330. Were any of those orders sold in Canton, or otherwise, to your knowledge, before you left China, and if so, at what price?—Captain Elliot's receipts were issued the morning I came away, I think, or the day before.

1331. They had not been issued sufficiently long to admit of any sale taking place before you left China?—No; I think they were issued the day before I came away.

1332. Mr. *Brownrigg.*] Have you heard of any negotiation of those which are commonly called opium scrip?—No.

1333. Mr. *Hogg.*] Do you know of any sales having taken place of them in London?—No, I am not aware of any.

1334. Sir *Charles Lemon.*] Do you know what has been done with the opium that was surrendered?—Merely from report; it is said that it has been destroyed.

1335. It is the general opinion that it was destroyed?—Yes.

William Jardine, Esq., called in; and Examined.

1336. *Chairman.*] YOU were a great number of years resident at Canton?—Yes; I resided there from 1820 to 1839, except a few months, and I was backwards and forwards from 1802 to 1818.

1337. You were the principal partner in the house of Jardine, Matheson & Co.?—I was.

1338. When did you quit Canton?—The last day of January 1839.

1339. You, of course, are only cognizant by reports subsequently of what

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passed in the month of March?—I know nothing but by report of what passed after January.

1340. You are of course aware by report of all that did occur then with respect to the conduct of the Chinese authorities?—Yes, as far as letters from China go and public documents; I have read most of them.

1341. Do you conceive that the conduct of the Chinese government during the years in which you were resident in China was at all corresponding with the line of conduct adopted in March 1839, or was any warning to the European residents of what they might then expect?—No one who had resided in China any number of years could have expected that Commissioner Lin would have acted as he did from anything that had passed previously.

1342. Do you mean by that that the sincerity which he evinced in putting down the opium trade was totally at variance with the previous conduct of the agents of the Chinese government?—Totally at variance with the conduct of the different governors and commissioners of customs during the time I was there.

1343. You draw a distinction between the general government and their agents in Canton?—I know nothing of the general government, and nothing of the imperial edicts, except from having seen them. I never saw them acted upon in any instance.

1344. Your house was very largely engaged in the importation of opium?—Yes, we had large consignments of opium.

1345. You had also opium occasionally on your own account?—We had a few hundred chests annually; 200 or 300.

1346. Can you give the Committee any information as to the price of opium at Bombay and at Calcutta during the year preceding your departure from China?—The Committee may get more accurate advice from the price currents than I can give them; but, from the best of my recollection, it began in Bombay at about 900 rupees and went up to 1,200, and some was sold as high as 1,350, and then they went back again, as the reports from China became less favourable.

1347. That was the spring of 1838?—Yes.

1348. Can you state what the prices were in Calcutta?—In Calcutta the Company's sales are recorded, and there is no difficulty in getting them; the highest and lowest prices of the sales are given, and the average struck by their own servants.

1349. Shall you be able to put in those price-currents?—I will furnish them to the Committee.

1350. Will you have the goodness to prepare and put in an account of the cost of a chest of Malwa opium and of Bengal opium, as nearly as you can?—I will do so.

1351. Are you able to give the Committee the actual cost to your house of the opium which was surrendered to Captain Elliot at Canton?—I believe I can with respect to a good deal of it. I saw a document the other day which states the price of what was purchased in China as well as several consignments from Bombay and Calcutta in the year 1838, which were still on hand, and surrendered to Captain Elliot; part of it had been sold for delivery on the coast, and the vessels were called back from delivering it, to give it up to Captain Elliot.

1352. Can you state what was the price of opium in China at the time of your quitting Canton, or shortly before?—It had been fluctuating between 500 and 650; but the sales were chiefly made for delivery in the Straits of Namo, and off the port of Amoy. There were very few deliveries in Canton at the time.

1353. The trade was in a state of stagnation?—In consequence of a severe edict coming from the Emperor to the Viceroy, he was at the time endeavouring if he could to put a stop to the trade just before I left.

1354. What made him take that measure?—The junks that went to the port of Tienshan were ordered to be searched by the Emperor; and they were searched, and a quantity of opium found on board each of them. A severe edict was issued by the Emperor, blaming the governor of Canton for neglect of duty, and threatening him with making him personally responsible in the event of the opium ships not leaving the anchorage outside. He then issued an edict to search the Hongs in Canton that had supplied opium to those junks, and took every measure that he possibly could to put an end to it in consequence of the imperial order that had reached him at that time.

1355. That of course was before the arrival of Commissioner Lin?—A long while before his arrival.

1356. Before any idea of his coming was entertained?—We had heard nothing about him then.

1357. Was he expected when you left China?—He was expected to arrive about 10 days after I left China; and it is now generally believed that he was *incog.* in the vicinity for some time, endeavouring to get information before he commenced operations publicly.

1358. You have been in Canton at various periods when there have been differences existing between the foreign community and the Chinese authorities?—A great many.

1359. Was there any violence ever used towards the European or foreign residents by the Chinese on any of those occasions?—Not by the government; I have seen violence occasionally by the mob, or by a soldier on duty, but to a trifling extent, and generally very much provoked by the Europeans themselves.

1360. Would your experience on former occasions, when there have been restrictive measures used by the Chinese authorities towards the foreign residents, have led you to think that there was any danger to life or property when the edict was issued by Commissioner Lin requiring the delivery of the opium?—Certainly not.

1361. If you had been there you would not have entertained any fear either for your life or your property?—Feeling as I do now, I certainly should not.

1362. Subsequent events, and the severity of the measures which have been since taken, do not modify your opinion?—Not in the slightest degree; I conceive that if there had been more resistance, the measures would have been less severe than they were.

1363. Are you aware of the address to Lord Palmerston, signed by the foreign merchants at Canton on the 23d of May 1839?—I have read it in the newspapers; I had a copy of it sent me.

1364. Do you know the reason why the house of which you are a member did not sign it?—The reason is assigned in one of the letters I have got; but I do not at this moment recollect exactly what it was; it was owing to the way in which it was worded; there was a part of it which they thought unnecessary; I believe it was about the personal fear they were in, or something to that effect; but I can refer to the letter, and state it at the next meeting of the Committee.

1365. Do you imagine, that if more firmness had been shown, the Chinese would have come to terms with the European residents with respect to the opium?—I think they would have tried to purchase a certain quantity of it through the merchants, to satisfy the Emperor, and let the ships go away with what remained.

1366. You do not think that they would have deviated from the practice which they have heretofore pursued of treating the foreigners with fairness, if they had been left to themselves?—I should have had no apprehension whatever about their taking my property from me, without paying me for it. The only difficulty would have been in fixing the price; they would have tried to get it as cheap as they could; but I should not have had the slightest apprehension about their not paying me for anything they forced me to give up.

1367. Sir *George Grey.*] You mean that you do not think that even at that time the Chinese authorities at Canton were in earnest in the intention of putting down the opium trade altogether?—I think they were in earnest about putting down the opium trade; but they would not have adopted these means to put it down, if they had not found the Europeans yielding.

1368. You think they would have bought up the opium?—They would have bought up a certain quantity, sufficient to save Lin's credit with the Emperor.

1369. What would have become of the rest?—It would have been sent away; it was not in their power.

1370. You think they would have prevented a further trade in opium taking place within the Bocca Tigris?—They would just have acted as they have now. The trade inside the Bocca Tigris has existed for months. The general belief amongst the Chinese was, that it was a subterfuge of the Viceroy's. When he sent away the vessels from Hong Kong, they came back again; and the next Imperial edict told him that they had come back again; that it was through his neglect; and that he must be responsible if ever they came back again; and then, seeing that the attention of the Emperor was turned to the outside anchorage, he encouraged, or winked at the boats bringing it up to Whampoa, where it had been carried on till 1821.

1371. Mr. *Elliot.*] You found your opinion as to the probability of their not

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pursuing more violent measures than you now imagine would have been the case, upon your former knowledge of the Chinese?—Yes, the question was so put.

1372. But you have never known any proceedings on the part of the Chinese, such as have been adopted by Commissioner Lin, in any of your previous experience?—Never.

1373. Do not you think it is rather difficult to draw a correct inference from former experience as to what Commissioner Lin would have done?—I should have drawn a very incorrect inference, as it has turned out.

1374. Then you do not mean to say that it is the inference you now draw?—It is the inference that I should then have drawn, but experience has taught us differently, because we have seen the result; it is not drawing an inference now, but a conclusion.

1375. Mr. *Colquhoun.*] Is not it possible that Commissioner Lin may have been encouraged to his late proceedings by the absence of resistance on the part of Europeans?—I have no doubt of it, and also by our own representative offering to aid him in putting down the opium trade.

1376. Do not you think that on former occasions, had the supercargoes met the demands of the Chinese by similar weakness, they might have been incited to as violent proceedings as those which Commissioner Lin took?—No, I do not think there was any Viceroy that had the same power as Lin had.

1377. Do you recollect the Europeans ever showing the same weakness?—No, I do not think they ever did whilst I was there.

1378. They never were so totally without force?—They never parted with property, or acted with so little general spirit, as they appear to have done upon this occasion, from the time that Captain Elliot joined them.

1379. They never were so unprotected by force?—Yes, they have often been as little protected there, as to force.

1380. Had not the East India Company's ships always a considerable force in sailors and guns?—No; the East India Company's ships arrived generally in September, October or November, and left again in January or February, and through the rest of the year we were without any force.

1381. But during that period of the year there were no dealings?—Yes; ever since the trade was opened there have been dealings all the year round, particularly since 1834. I have been there for years and years, and there is one gentleman in Canton that never was away from Canton for 18 years.

1382. Sir *George Grey.*] Do you ever remember a similar demand made upon the supercargoes of the East India Company for the delivering up of the whole of the opium belonging to the British at Canton?—No.

1383. Mr. *Colquhoun.*] Could such a demand be made, inasmuch as they disclaimed all participation in opium?—I do not see how they could disclaim it, because they used to advance money upon it. They disclaimed their vessels having any opium on board, and when other vessels were obliged to give a bond to the government that they would not bring in opium, they refused to give it for their vessels.

1384. There was an ostensible distinction?—Yes; there was that distinction.

1385. Mr. *Elliot.*] You say that there never was so much weakness shown on the part of Europeans at any previous period; can you name any previous period when the European community at Canton were placed in a similar position?—The time when Lord Napier was there was the most like, when we were imprisoned, and his Lordship's provisions taken away, while they threatened to stop ours if we supplied him.

1386. Do you consider that to have been an analogous case to the position in which the community were placed at that period when Lin was Commissioner at Canton?—I am aware that Lin had more authority than any person that had ever been at Canton before, and therefore the cases are not analogous.

1387. Do not you think that he was more determined to carry that authority into execution?—Yes, I think he was.

1388. Does not that make a serious difference between the period which is now under consideration, and the previous periods of time to which you have referred?—That will not alter the circumstance of foreigners protecting their own property on former occasions, and on this occasion giving it up.

1389. Mr. *Clay.*] Was not there this difference, that Lord Napier had a force under his command, and brought that force within the Bocca Tigris?—He did, ultimately; but the communication was cut off, so that the force could afford him no

no assistance; they got as far as Whampoa, where there were vessels sunk across the river, and they could get no further.

1390. Sir *George Grey*.] And Lord Napier was obliged to order the force back again?—Lord Napier was obliged to order the force back again.

1391. Mr. *Colquhoun*.] Do you conceive that that force had any effect upon the Chinese government?—The result proves that it had none; they continued to do the same, till Lord Napier's ill health made it necessary for the surgeon to interfere; and the pass for Lord Napier was got at the request of the surgeon and myself.

1392. *Chairman*.] Have you ever had any communication with the Board of Salt and Opium in Calcutta, upon the subject of opium?—Yes; we have had musters of opium sent on to us in small quantities, packed in different ways, with a request that we would sell it and ascertain the kind of package that suited the Chinese market best, and report on the same to the Board.

1393. Mr. *Hogg*.] By whom was that communication signed?—I forget the gentleman's name who signed it; it was the same party who signed the correspondence from the Board; the secretary.

1394. Mr. *Brownrigg*.] But it was expressly by the authority of the Board?—By the authority of the Board, and I believe, emanating from the Supreme Government.

1395. Sir *G. Grey*.] Had you been engaged in the opium trade during the whole of your residence at Canton?—From 1818.

1396. Up to the time of your leaving Canton?—Up to the time of my leaving Canton.

1397. During that period was there ever any serious interruption of the opium trade; and if so, for how long did it last?—I do not know that ever the trade was entirely interrupted during the whole time; there have been great difficulties thrown in the way at different periods. The time when the interruption lasted longest was in 1821, when the vessels were expelled from Whampoa.

1398. How long did the interruption last at that period?—I suppose for two or three months; there was not much business done, but there was still some.

1399. Were the receiving ships sent away upon that occasion?—They were sent away from Whampoa on that occasion.

1400. But not from Lintin?—There were none at Lintin then, they were all at Whampoa; and they used to have one or two vessels into which they could tranship, and those receiving vessels had a custom-house officer at each gangway, who received certain fees for removing it out of the other ship into those ships.

1401. Did the receiving ships that were sent away in 1821 take any opium away with them, or was the opium delivered up to the Chinese or seized by the Chinese?—All that they had they took away.

1402. No seizure took place of opium on the part of the Chinese on that occasion?—No; the Chinese threatened to search them, but that being considered contrary to the laws of the port, they armed themselves for resistance.

1403. Mr. *Colquhoun*.] What force had they?—The Indiamen were all there at that time; they had probably 150 or 160 men among them; I mean the opium vessels.

1404. And they had guns?—Yes.

1405. Mr. *Elliot*.] Did the Indiamen themselves bring opium from Bengal?—Yes, decidedly; there is no question about it.

1406. Mr. *Brownrigg*.] Not on the part of the East India Company?—No.

1407. Mr. *Hogg*.] Do you mean that what were called the Company's ships, carried opium?—Yes; not commonly, but they did carry it. In fact there was a correspondence took place between the commanders of the Company's ships and the Government of Bombay, pointing out the inutility of forcing them to do it in country ships when they could do it at less expense in their own ships.

1408. Are you aware that it was prohibited by the Supreme Government, and that dismissal from the service was the penalty annexed in the case of any Company's commander carrying opium in any Company's ship?—I am perfectly aware of those regulations, and I dare say you are aware that Turkey opium has been seized when they were carrying it from the island of Madeira before now, and the person not dismissed the service; that has happened more than once.

1409. Do you speak of opium being conveyed by the Company's officers on board the Company's ships as a rare and occasional occurrence, or do you speak of it as a usual practice?—As an occasional occurrence.

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1410. And as an exception from the general rule?—Yes, I should say it was an exception from the general rule; but the question put to me was, whether they ever carried it, and I say yes, and I can prove it.

1411. Did you mean to say that you can prove particular instances?—Yes, many captains of Indiamen never bought a chest of opium in their life, but that was because they had not a turn for the speculation,

1412. With respect to those captains of Indiamen who did buy opium and ship it to China, was it not the universal practice, with partial exceptions, for those captains to ship the opium so bought in country ships, and not in Company's ships?—In Calcutta they generally did; but there was a petition went in from the captains of ships to the government of Bombay, pointing out the absurdity of not allowing them to carry it and deliver it at Lintin, and proposing that a certificate from the opium receiving-ships at Lintin should be considered a sufficient discharge to them, as not having taken it to Whampoa, and consequently as not having infringed any agreement that the Company's supercargoes had entered into with the authorities at Canton.

1413. You speak of a petition having been presented to the Bombay government by the Company's officers; do you mean to state that the Bombay government passed an order acceding to the prayer of that petition?—I believe they did, but I will not answer that positively.

1414. Can you state about the date of that petition?—It was during the time that the Company sold Malwa opium in Bombay.

1415. Can you state about the year?—Between 1826 and 1830.

1416. Have you ever known a commander of a Company's ship carry opium in his own ship from Calcutta?—I do not know that I have, but I have been in a ship that has taken it from this country to China, opium bought in the Company's sale-room here.

1417. With respect to the transmission of opium purchased by the Company's officers from Bombay, do you mean to say that it was a general usage for them to carry opium in the Company's ships?—I think it was more so from Bombay than from Calcutta; but there were many that never had any.

1418. You said that you had never known an instance from Calcutta, but that you have known an instance from Bombay?—I think I have; I am not sure whether Captain Larkins did not command one ship that did so.

1419. From Bombay, do you speak only to particular instances, or do you speak of it as a general usage?—Particular instances.

1420. You have stated that you believe the Bombay government acceded to the prayer of the Company's officers; subsequently to that period did it become a general usage to carry opium in Company's ships?—I do not think it did, because very few of the Company's officers dealt in it.

1421. But the few that did, you believe carried the opium in their own ships subsequently to that petition?—Some of them did, some might not do so; of that I am not certain.

1422. If the Bombay government had given them permission to carry the opium in their own ships, would they have any object in shipping it in country ships?—None whatever; on the contrary, they would save about 10 dollars a chest by taking it in their own ships.

1423. *Chairman.*] Was the existence of the opium trade, as carried on by mercantile houses in Canton, matter of perfect notoriety to the authorities in Canton?—Perfectly; they knew us all by name; and they had published lists, over and over again, of those houses that dealt in opium; there were very few exceptions.

1424. Sir *G. Grey.*] After the interruption in 1821, how soon did the opium trade resume its usual course?—In the course of a very few months; the shipping lay at Lintin, and the deliveries went on there.

1425. Did things go on in that way from 1821 till the late interruption?—Yes, shifting from one place to another; sometimes Lintin, and sometimes Khamsingmoon, sometimes Capsingmoon, and latterly Hong Kong.

1426. Mr. *Colquhoun.*] Did that shifting arise from interruptions?—Yes, from edicts issued against the vessels lying in certain parts; it generally originated from the censors, who report to the Emperor the transactions in the provinces; and when it was reported that certain ships were lying at a certain anchorage, the Viceroy ordered them away from that anchorage.

1427. Was

1427. Was that order enforced, or did they avoid the further enforcement of it by obeying it?—They obeyed it.

1428. When they thus occupied those anchorages, were there custom-house officers placed upon deck?—There never were custom-house officers outside.

1429. Is that because the custom-house department does not reach beyond the Bocca Tigris?—Yes; it does not reach so far.

1430. Are the outside waters within another Chinese department?—Entirely; the Hong merchants have nothing to do with the trade outside.

1431. Mr. *Elliot.*] During the time you were in China, generally speaking, was there greater difficulty in landing opium and disposing of it in China than there was in landing any other goods?—It was landed upon a different principle; it was by far the safest trade in China, because you got your money before you gave your order. Whatever the difficulty was in landing it afterwards, you had nothing to do with it. When the cash-keeper reported so much cash paid into the treasury, you gave an order for as much opinm as the man wanted, and then you had done with it; it was his affair after that.

1432. Was it not, in fact, as open a trade to public view nearly as any other trade that was going on within the river?—So perfectly open that all the world knew it; they would point out the opium boats, which were constantly going past in daylight in front of the town.

1433. Was it possible that that trade could have gone on upon this footing without its being publicly known to the highest authorities in Canton?—Quite impossible.

1434. Do you think it possible that it could have gone on without its having reached the highest authorities in Pekin?—We know that it reached them again and again, because their own edicts proved that to us.

1435. Mr. *Colquhoun.*] Do those edicts always condemn it?—Yes.

1436. There is no instance of an imperial edict sanctioning the trade?—Never; it was expected in 1826 that they would sanction it.

1437. *Chairman.*] Was a notice given to you by the Hong merchants, at that time, that the government were about to sanction it?—It was not exactly a regular notice by the Hong merchants to us; but they gave us information, in the course of conversation, that they had every reason to believe, from their advices from Pekin, that the Emperor intended legalizing the trade, and levying a small duty upon it.

1438. Sir *George Grey.*] When you speak of the trade having been carried on with the knowledge of the authorities at Canton, do you, by the word "knowledge," imply connivance?—Perhaps I may answer that question by saying, that the Viceroy had four boats that carried opium with his flag flying upon them.

1439. Are you aware that the supreme authorities at Pekin also connived at the trade?—I scarcely know how to answer that question; the repeated edicts against it, without taking any severe measures to put it down, I think prove that they did.

1440. Had they the power of taking measures to put it down, if they had been disposed to do so?—They have succeeded now in doing so, to a great extent, at Canton, not on the coast.

1441. Do you believe, at any former period during your residence in China, the imperial authorities might have adopted the same measures which they have recently adopted, and with the same result?—No, I do not think the result would have been the same, because there would have been no one who would have had authority to interfere with the property; and it could not have been given up as it has been now.

1442. Do you believe at any former period the imperial authorities could have effectually driven away the trade from Canton?—They drove it away from Whampoa in 1821.

1443. Do you mean that the imperial authorities might, in addition to the edicts, have adopted measures which would have crippled the trade to a great extent, whereas instead of doing that, they issued edicts without putting them in force?—They issued edicts without putting them in force; and whenever they did put them in force, they crippled the trade to a certain extent, but they seldom remained in earnest more than two or three weeks.

1444. You judge that they did not remain in earnest, because they abandoned the measures which were within their reach, and which to a certain extent crippled the trade?—Yes.

1445. Mr. *Colquhoun.*] Might not that have happened, owing to the imperial

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authorities being deceived?—We know from their edicts that they were not deceived; they might have been deceived as to the extent, but not as to anything else, because they describe the kind of boats that carry it on, and the name of the people that deal in it, and everything connected with it, except the extent; they tell you even the number of ships there were at Lintin, though many of those were ships carrying cargoes in place of opium ships.

1446. Then they enumerated those before issuing the edict to put them down?—They embody them in the edict.

1447. Then whenever this information reached the imperial authorities, it appears to have been followed by edicts professing to extinguish the trade?—Yes.

1448. They could only enforce those edicts by means of the provincial authorities?—Yes.

1449. And their only information as to the enforcement of those edicts must have been derived from the provincial authorities who, it appears, were interested in the trade?—There are also censors, a set of officers who exist all over China, who have the power of reporting what they please, whether true or false, and no punishment can ensue.

1450. Does the censor come from Pekin to Canton, and remain there a certain period?—They are moved about in all directions.

1451. How many years does the same censor remain?—I do not think there is any fixed period.

1452. Ordinarily how long?—It is impossible to answer the question, for their names are not given, and they are not generally known.

1453. Sir *George Grey.*] Do they make their report direct to the imperial authority, or through the local authorities at Canton?—Direct.

1454. Mr. *Hogg.*] Have you read the minutes of different Members of the Privy Council upon the discussion as to legalizing the opium?—I have.

1455. Do not you think it is apparent from those minutes, that the opium trade generally in its details must have been known to the court at Pekin?—No doubt about it; their own edicts explain the trade completely, and establish that point.

1456. Mr. *Elliot.*] During the period you were in China, do not you think that the Emperor of China must have had information as to the foreigners who dealt in opium at Canton?—No doubt of it.

1457. Do not you believe that the discovery that a large quantity of bullion was leaving the country, produced in the Chinese government the determination to act upon a different principle from what they had acted upon previously?—They say so in one of their edicts distinctly.

1458. *Chairman.*] In one of those reports to the Emperor, was not it stated that many thousands of chests of opium were annually produced in China itself?—The party making the report enumerates six provinces where it is grown; and he states that he is not aware what is the quantity grown in the other five; but that in the one of which he is a native, thousands of chests are produced annually.

1459. Have you ever heard of any attempts made by the Chinese government to put down the growth of opium in China?—Frequently; in former days there used to be translations of the Pekin Gazette to that effect.

1460. Sir *Gearge Grey.*] To what motive do you attribute the frequent issuing of those edicts by the imperial authorities if they did not seriously mean to enforce them?—The local authorities were obliged to issue them, because they came from the Emperor.

1461. Why should the Emperor affect an intention of stopping the trade, if he did not mean to do so?—In everything they do they appear to keep up the theory more than the practice; the theory must be perfect, whatever the practice may be.

1462. Then the imperial edicts never created an impression, on the part of the foreign community, that it was the intention of the Emperor to suppress the trade?—No, never.

1463. Mr. *Hogg.*] Before reading the discussions at Pekin about the suppression of the trade, did you know that opium was extensively grown in China?—Yes, in consequence of having seen it in the Pekin Gazette, when it used to be translated for the Company, that authorities had been sent out to destroy the poppy in the provinces in which it is grown.

Lunæ, 18° *die Maii*, 1840.

MEMBERS PRESENT.

Mr. C. Buller.
Mr. Edward Buller.
Mr. Brownrigg.
Mr. Clay.
Mr. Colquhoun.
Mr. Elliot.
Mr. Gladstone.
Sir George Grey.
Mr. Herbert.
Mr. Hogg.
Sir Robert Inglis.
Sir Charles Lemon.
Mr. Parker.
Mr. John Abel Smith.
Mr. Strutt.

JOHN ABEL SMITH, Esq. IN THE CHAIR.

William Jardine, Esq. called in; and further Examined.

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1464. *Chairman.*] YOU were requested, in your former examination, to put in some statements of the cost of opium in Canton, both of Malwa and of Bengal opium, and also the price which some of the opium actually cost your house, which was delivered to Captain Elliot; have you prepared the statement?—I have prepared several statements, which I will present to the Committee.

1465. You now deliver in two invoices, one of Malwa and one of Bengal opium, delivered up to Captain Elliot, in consequence of his demand, by Jardine, Matheson & Co.?—I do.

1466. You also put in a statement of purchases of Patna opium, made by Jardine, Matheson & Co., from August to November 1838?—Yes.

1467. And the same with regard to Malwa opium purchases, made by Jardine, Matheson & Co., from July to November 1838?—Yes.

[*The Witness delivered in the same.*]

Vide Appendix.

1468. Was any opium delivered up to Captain Elliot which had been previously sold by your house?—A good deal.

1469. Do you know the circumstances attending that transaction?—It was sold at Canton, to be delivered on the coast at a certain price, the party paying bargain money sufficient to pay the expenses of insurance and ship hire for a couple of months; they then paid for it, and took it away on the coast; it was paid for first, and taken away afterwards.

1470. And orders were given to deliver it up with the rest?—A vessel was sent up to call the vessels on the coast back to Canton, to deliver up all that they had to Captain Elliot.

1471. Was any opium actually sold, during the passage of the ships, on their return from the coast, for the purpose of delivering up the opium?—Yes; one of the captains, Captain Jauncey, sold several chests (I do not know exactly how many), at 750 dollars a chest, in the straits of Namo, on his way down from Amoy.

1472. Was he aware then that the whole was to be delivered up?—He was merely recalled without its being expressed what the object was. The order was sent to the senior officer, (he was the second) to come himself, and bring all the opium ships under his orders with him.

1473. On your last examination you referred to the Imperial edicts against the trade in opium, and to the disregard with which they were treated; were there any other edicts, regarding the trade with foreigners, which were also disregarded?—The edicts, in general, were disregarded. All the edicts respecting sysee silver were on the same footing as those respecting opium; there was no attention paid to them; it was the interest and advantage of the authorities so to treat them. They were obliged to publish them, because they were sent down to them for publication; but they never had them translated or served upon the Europeans at all, further than sending the Hong merchants to state that such an edict was out; and

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they used to send us a copy when we applied for it, generally accompanying it with a remark that it would come to nothing, that it would not be acted upon.

1474. There was no reason to doubt the sincerity of the government, and their desire to prevent the export of sysee silver?—I believe the Emperor latterly was sincere in preventing the export of it; previously, at Canton, the authorities used to be paid for allowing it to pass.

1475. Did all the parties in Canton export sysee silver, when it suited them to do so?—Where they had orders to make remittances in sysee, they did so, when they could get it; it was difficult to get sometimes.

1476. Did the East India Company ever send out sysee silver?—The East India Company used to receive sysee silver for one or two seasons, upon the same principle as broken dollars. When the exchange was down at 4 *s.*, we remitted in broken coin, and we found that it was affecting the operations in Canton very much, by producing a want of circulating medium; and then it was suggested to the Company's chief supercargo, that if they would receive sysee, and send it home, we would prefer supplying that to the other. They agreed to take it from the principal houses, upon our guaranteeing that it should make as good a return as the broken coin. If there was any advantage in it, they took it; but we were obliged to make up the deficiency, if there was any.

1477. Do you mean that if there was any loss you guaranteed them against the loss, and if there was any profit they took it themselves?—Yes.

1478. Mr. *E. Buller.*] Do you mean that they sent sysee silver of the same weight as the broken dollars, and if there was any advantage from the sysee silver being purer than the dollars they got it?—Yes; we had the check in our hands to a certain extent, because we might have valued them at a higher per centage, if we chose, so as to be sure that there would be very little difference in the return.

1479. *Chairman.*] But the sending of sysee silver was recognized by the chief supercargo of the East India Company?—It was; there was an order came out afterwards from the court to prevent their servants so receiving it.

1480. Are you of opinion that, upon Captain Elliot's arrival at Canton, the Chinese looked upon that circumstance as altering the whole state of things, and that they considered that he was the authority to whom they ought to refer, and that other persons were relieved of all responsibility by Captain Elliot's arrival?—Captain Elliot, on arriving at Canton, and taking Mr. Dent under his protection, as they called it, or rather under the protection of the British community, for he removed from his own factory and went to the Company's hall, where they were all assembled round him, and Captain Elliot, having come up as their representative, they turned their attention to him in place of Mr. Dent. Finding that they could not get Mr. Dent to go into the city, they were glad of any mode of shifting from their demand, without appearing to be foiled in it.

1481. In your opinion they looked upon Captain Elliot's arrival merely as affording them the means of getting out of the difficulty?—Of getting out of the difficulty with Mr. Dent; they had refused to take Mr. Dent. Their whole conduct proved they would not take him, because they sat down in his office, and said they would remain there. If they had wanted to take him they would have laid hold of him; but having insisted upon his going there, and finding themselves defeated in that, it was natural enough to shift from him to the other, without acknowledging a defeat; therefore they let Mr. Dent alone when Captain Elliot came.

1482. Is that consistent with their usual course of policy?—I never knew them acknowledge themselves in the wrong; they generally shift out of it in some left-handed way of that kind.

1483. You were asked upon the former day, supposing the claim for the delivery of the opium had been made by the East India Company instead of the Government, what you would have done; have you anything to add upon that subject?—I think I replied that the circumstances did not exist by which the Company could well have made such a claim; but if they had insisted upon it, and issued their order, we must have complied, because we were under instructions to do so. We lived there by their tolerance, to a certain extent they had the power of sending us away if we did not comply with their orders, and we should not have hesitated much about complying, because the Company must have

have been responsible; a court of law would have made them so, for the acts of their servants.

1484. Then you draw a distinction between the East India Company, against whom you would have a remedy at law, and the Government, against whom you have no remedy?—Yes; we would have been more ready to give it up when we were sure of a remedy by a jury of our countrymen if there was any doubt about it.

1485. Mr. *E. Buller.*] You stated that the prices at Bombay, during 1838, had been 900 rupees, 1,200 rupees, and 1,350 rupees?—It fluctuated very much that season, according to the reports from China; it was just on the back of the proposal to legalize the trade, and a great deal of that opium was contracted for in Malwa; they have no public opium sales there, as in Calcutta.

1486. But as the price fluctuated between 900 rupees and 1,350 rupees at Bombay, the price at Canton, as you have shown by your invoice account, averaging 594 dollars a chest, the trade that year must have been a losing trade?—There was not a great deal of opium bought as high as 1,500 rupees; not any I think; 1,300 and 1,350 was about the highest that it stood at for any time, and that for a short time only; but it was no uncommon thing for it to be a losing trade.

1487. If purchased, as you have stated, at 1,000 to 1,200 rupees a chest as the average, and sold at Canton at 594 dollars a chest, there would be no profit?—No; on the contrary, a loss. Many did lose; and the East India Company, in one of those years, made an allowance to the purchasers who lost by their Bengal purchases.

1488. The price of 594 dollars a chest was a very low price at Canton, was it not?—I have known it as low as 400; 595 or 600 dollars would be about the average price of late years when it became so abundant.

1489. From what period would you date, when you say of late years?—Probably the last four or five years; from the time the Company gave up selling it and opened the trade, and when it passed through Bombay on paying a duty; it increased from about 5,000 or 6,200 chests to 20,000 or 22,000 chests, and that of course reduced the price in Canton.

1490. Then while the price has been, upon the average, about 600 dollars a chest at Canton, what should you state had been the average price at Bombay?—It is very difficult to say; but I can give all the prices at Bombay if the Committee wish it, from the price-currents, and also the quantities and prices in Canton for several years back. There is a table of them published, which would be more accurate than any information I could give from memory. But it is very difficult to state what was the price at Bombay. It is very easy to state the prices in Calcutta, because the Company's sales regulate it. You have the highest and the lowest given you. The price-currents give it you after every sale in Calcutta. It fluctuates a little afterwards, according to whether the natives that purchased it with the view of re-selling in Calcutta, made a good business of it. Sometimes they gain and sometimes they lose; but when they lose it is late in the season; they do not submit to a loss early in the season.

1491. If the prices fluctuate at Canton, are they more steady at Bombay and Calcutta?—The prices fluctuated at Bombay very much. In Calcutta it was not that the prices were steady, but you always knew them, because it was a public sale. But in Bombay the contracts were made up the country with the Malwarese, and some of them used to be made in October for the ensuing year, so that you had a great variety of prices, sometimes even in the same day, at Bombay. You had the prices as stated in the price-currents, but in general you had no clue whatever to the contracts made up the country by the large purchasers.

1492. Was the trade, in your opinion, as regular a trade, with reference to the risks run and the profits obtained, as any other branch of trade between India and China?—No; I think the prices fluctuated more; it was equally steady and equally certain, but the prices fluctuated more.

1493. Did the prices fluctuate on account of the fluctuations in the supply and demand for opium, or did they fluctuate on account of the proceedings of the Chinese government?—A little of both; the Chinese government used to affect prices every now and then, by being more stringent, and enforcing the regulations; and then they used to relax, and the prices got up a little.

1494. Like any other trade carried on against the laws of the country, it was liable to great fluctuations, according to the increased or relaxed rigour of the enforcement of the laws of China?—Yes, to a certain extent; never to a very great

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great extent, except in the year 1821, when it fell very low for a time, 30 or 40 dollars was the usual fluctuation from such causes.

1495. Were the fluctuations to that extent as to deter men of regular habits as merchants from engaging in it, regarding it as a gambling transaction?—There were some very rich men engaged in transactions on the Chinese side, and there was scarcely an exception as to the Europeans.

1496. You never heard of any man being deterred from engaging in the trade, either on account of the gambling nature of the trade or from high moral principles?—Yes, Mr. King professes to do so; that is the only instance I know.

1497. Supposing any man to entertain a moral objection to the trade, was he likely, from the high profits held out to him, to be induced to engage in it?—Mr. King is the only exception I know to the general rule. Mr. Cushing, latterly, has not engaged; but that was from his connexion with Howqua.

1498. Then either the Europeans engaged in it were not aware of the moral objection to the trade, or the profits were so large as to induce them to engage in it notwithstanding?—When the East India Company were growing and selling it, and there was a declaration of the Houses of Lords and Commons, with all the bench of bishops at their back, that it was inexpedient to do it away, I think our moral scruples need not have been so very great.

1499. Mr. *Gladstone.*] Did you ever hear of any instance of a person who went out to China, and refused to become a partner in a house of great reputation and wealth in China, on account of his objection to the opium trade?—Yes, I recollect Mr. Matheson coming back; I am aware of all these things; there are three instances altogether, one American and two Scotchmen; Mr. Matheson and Mr. Robertson; Mr. Robertson had been in the Scotch Church before he went out, and had some scruples of conscience and came home again; and he has since written a pamphlet, in which he defends opium more than he condemns it.

1500. Mr. *Colquhoun.*] The third case is Mr. King, the American?—Yes.

1501. Sir *G. Grey.*] What was the nature of the moral objection which those parties entertained against the trade in opium; was it that it was a trade prohibited by the Chinese, and that it was immoral to smuggle; or was the objection founded upon the prejudicial effects produced by the consumption of opium among the Chinese?—If I were to give you Mr. King's opinion, he objected to it upon the broad principle of the demoralizing effect upon the Chinese, and also the immorality of smuggling; but unfortunately he smuggled in everything else except opium.

1502. What was the nature of the objection entertained by the two Scotch gentlemen?—That it was, strictly speaking, an illegal trade; I believe their objection was, that as the imperial edicts were against it, although it was encouraged by all the authorities, yet they did not think it right to engage in it; and they also thought that it was demoralizing to the people, the same as spirits are in this country.

1503. Are you aware of the existence of edicts equally severe against the propagation of Christianity, and the introduction of religious tracts into China?—Yes.

1504. Are you also aware of the circumstances attending the voyage of the Huron, a vessel freighted by the house of Oliphant & King, and in which Mr. Medhurst made a voyage along the coast for the purpose of introducing religious tracts into China?—Yes, perfectly.

1505. Are you aware of any considerable resistance offered at different points along the coast at which the ship touched, by the Chinese authorities, to the attempt of Mr. Medhurst to introduce religious tracts?—They objected to it at almost every place he went to; his work is published; he states it himself.

1506. Do you know whether, owing to the perseverance of Mr. Medhurst, aided by the curiosity of the Chinese, he was eminently successful, notwithstanding the resistance of the authorities, everywhere in violating the Chinese law, by the introduction of religious tracts into China?—I think he says so; but I think Mr. Gutzlaff circulated more tracts than he did.

1507. But Mr. Medhurst's voyage was subsequent to Mr. Gutzlaff's?—It was.

1508. Was not the voyage of the Huron undertaken with that express object, the ship being taken up for the purpose, and under an agreement that the opium trade should be strictly and religiously abstained from?—Yes; he applied to us for a passage, and I told him that he might have one in any one of our vessels going to the coast; but he declined it on account of their having opium on board.

1509. Is

1509. Is there any distinction in kind between the edicts issued by the Chinese against the opium trade and those against the introduction of Christianity?—They differ in their form according to the article they are about to prohibit; but all their edicts are framed upon the same general rule; they were the same 20 years ago as they are now.

1510. Is not the punishment of death imposed upon any native Chinese who shall be a party to the propagation of Christianity in China?—I should say not; the law may be so, but in practice it is not so.

1511. Do you recollect that Mr. Medhurst states in his book, that in the year 1810 an edict was issued, imposing the penalty of death upon any party who should embrace the Christian religion?—Yes, I believe there was an edict to that effect published; but he must be a much better authority upon this subject than I am, because I suppose he made himself master of it before he put it in print.

1512. Did those edicts give rise to an impression on the part of the foreign community, that there was any immorality or impossibility in the propagation of Christianity in China?—Never in the vicinity of Canton to my knowledge. I have heard of massacres of the Christians up the country. There was one soon after that voyage of the Huron.

1513. Has it had the effect of deterring Europeans from making the attempt?—As far as regards our own people I do not know. It has not the French and other nations, because we have sent several of them along the coast to be landed and sent up to the body of Christians in the interior; but I do not think we have any one there at present belonging to Great Britain, except at Macao and Canton.

1514. *Chairman.*] Was not Mr. Medhurst for a great number of years resident in Java?—He was.

1515. Is not the opium trade carried on there more extensively than almost anywhere else?—Not more extensively; it is carried on. The Dutch government farm it to a man who pays so much a year to the revenue.

1516. Is the consumption of opium great in Java?—The consumption is great, but not to so great an extent as the same number of people in China consume. They use the Turkey opium chiefly there.

1517. Mr. *E. Buller.*] You stated that the introduction of opium was connived at by all the authorities at Canton, and that the Viceroy had four boats engaged in the trade; will you state at what period that commenced?—I think the Viceroy's boats commenced about the beginning of 1837, or the middle of 1837; and for some time they were employed to put down smuggling. But in order to make it intelligible, it will be necessary to state how the smuggling was carried on. There was one man of large property that used to contract with the government for the safety of all the vessels, and they violated their engagement with him by seizing a vessel returning with sysee silver, after she had delivered the opium. Upon that he threw up his situation as guarantee, and they could not get any man of sufficient character and wealth to engage in it; and then the Viceroy's boats having nothing to put down in the way of smuggling, turned to smuggle themselves, and they did all the carrying business for about 18 months.

1518. At what period in 1837 did that begin?—It did not end till a little before Lin's coming down. They were even engaged in the river trade when it first commenced, which was the last thing done in opium before my leaving, in the end of 1838, or the beginning of 1839.

1519. Were the Viceroy's boats engaged in the opium trade up to the period when Captain Elliot assisted the Chinese authorities to put down the trade in the river?—Yes, his boats took 150 chests out of a schooner at one time in the river near Whampoa about that period.

1520. Had they discontinued at that time, or did they still continue?—There was very little done at Canton for many weeks before I left; the trade was chiefly carried on along the coast about Namo and Amoy. It was banished from Canton to a great extent; the Viceroy tells us, in his edict, in reply to Captain Elliot, when he offered to put himself at the head of a Chinese force to drive the English boats out of the river, that he could put a stop to them whenever he pleased, by a single scratch of his pen; a proof that there was no necessity for Captain Elliot's interference.

1521. Mr. *Gladstone.*] Are the Committee to understand that those boats of the Viceroy carried on the trade between Lintin and the port of Canton?—Yes.

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1522. And that they monopolised that trade for a certain period?—Yes, as far as the Chinese boats were concerned.

1523. For the whole 18 months?—I cannot speak to a few months, but for a great many months they did; they took care that no others should interfere with them.

1524. Is it not recorded in the papers which have been laid on the table of the House of Commons, that the trade was, to a considerable extent, in the hands of Europeans at that time?—The Europeans were the parties on the one side, and the Viceroy's boats on the other. The Viceroy's boats carried European orders, and received the opium accordingly.

1525. Is it not recorded in these papers that the opium was actually carried in boats engaged by Europeans or belonging to Europeans?—For a few months in the river it was, in the schooners.

1526. For how many months were boats belonging to Europeans engaged in carrying the opium from Lintin to Canton?—I cannot answer that question exactly; but I suppose as much as five or six months.

1527. And not more?—I should think not much more.

1528. At what time did they begin to ply?—They were in the midst of it when the admiral went there, which I think was in the month of August or September.

1529. Was it in August or September 1837 that they began to run?—I cannot tell the dates, but it was about two or three months before the admiral arrived.

1530. Will you state as nearly as you can, when opium began to be carried in European boats between Lintin and Canton?—It began about the July before the time when the admiral was there.

1531. When was the old system of carrying the opium in the native boats given up?—The system of carrying in the native boats still continued even up to the time that I left, but in a very limited degree. After those junks being searched at Tien-shun, and a severe edict coming to the governor upon that, he knocked up his boats then, and left off running them.

1532. When was the period in the year 1837 when the recognised system of carrying the opium in the native boats was broken up?—That was at the time I mentioned before, when the head man would no longer become security for them; he broke up his own boats, after they seized his sycee contrary to compact; and when one of our captains offered him 1,000 dollars for the last boat, he said, if he would give him 50,000, he would not let them exist; that he must burn them, to prove that he was in earnest in refusing to continue the contract.

1533. From that period to the end of 1838, is it your opinion that the greater part of the opium which was carried between Lintin and Canton was carried in boats belonging to the Viceroy?—Yes, certainly.

1534. Nearly the whole of it?—Nearly the whole of it. The Hoppo boats did a little, but not much.

1535. Were there not a great many seizures and collisions during that period between the authorities and the boats carrying opium?—There was never any collision of importance; they used to have a sham fight now and then, by way of making it appear that they did their duty.

1536. Were there not very considerable seizures of opium?—I can only recollect one seizure of any great importance, and that was of a hundred and odd chests.

1537. Owing to what circumstances do you think it was that the trade was so much depressed as to have become nearly extinct in the latter end of 1838?—I have stated before the searching of the vessels at Tien-shun and the seizure of the opium on board of them, and the edict of the Emperor to the Viceroy at Canton in consequence.

1538. When you allude to the searching, do you allude to an event which occurred at one particular time, or to a practice of searching?—At one particular time; it never occurred before.

1539. When was that?—The account came to Canton in the end of the year 1838; in fact, it preceded the seizure of the opium from Mr. Innes in the river, and was the cause of all the mischief that was attributed to Mr. Innes's seizure.

1540. That was in December 1838?—I think it was.

1541. Then it immediately preceded that seizure?—The account came to Canton about three days before Mr. Innes's seizure, and most people in Canton attributed what ensued to Mr. Innes's seizure; but in fact it had nothing to do with it.

1542. Was not the opium trade in the river nearly brought to a stand-still a good

good while before that event?—It was attended with more difficulty; but that was the first thing that gave it a thorough check.

1543. To what do you ascribe that increase of difficulty?—I have answered that; it was owing to the severe edict sent by the Emperor to the Viceroy, threatening him with making him personally responsible if the vessels did not go away from Lintin for good, and if he did not put a stop to the opium trade.

1544. Did the Viceroy take any measures to put that edict into execution?—He did latterly, about the month of December, when this notice came.

1545. The question refers to an earlier period. You have stated that there had been an increase of difficulty in carrying on the opium trade previous to that time; you were asked what was the cause of the increase of the difficulty, and you now answer by saying, that it was the edict which came in December 1838?—There had been increased difficulties, but not to that very great extent till that edict came; the trade had still gone on, as you will see by the deliveries; on the coast it had gone on uninterruptedly.

1546. Were not the deliveries in all the latter months of 1838 very much restricted?—They were very small at Canton, but very considerable on the coast; there were at least 16 or 18 vessels in the straits of Namo at that time delivering.

1547. But they were very much restricted in Canton river?—Yes, and at Lintin.

1548. Was that limitation and obstruction in Canton river owing to the Emperor's edicts; or did the Viceroy take any measures to put those edicts in execution in the year 1838 before December?—After it was decided that opium should not be admitted as an article of legal trade, the Viceroy's measures became more stringent, in consequence of his receiving severer orders from Pekin, and they came to a climax at the time I mentioned.

1549. Will you describe those measures, as far as your memory serves you; such as took place before December 1838?—In the first place his own boats were restricted; he no longer openly countenanced his own boats, and the trade was then carried on by mandarin boats, commanded by men of less importance; the deliveries used to go on at various parts in the city; there was one place, which was a large establishment for lepers, where they used to deliver their opium; they converted it into an opium depôt for the inferior mandarins; and it used to be delivered there after the Viceroy's boats had ceased running.

1550. You have said that the Viceroy's boats did not cease running till the end of 1838?—Till towards the end; they ceased running about a month or six weeks before the severe edict of the Viceroy came.

1551. Then, are the Committee to understand, that between the middle of 1837 and the end of 1838 the trade was carried on chiefly in boats belonging to the Viceroy, and partly also in boats belonging to inferior Chinese authorities, and partly also in boats belonging to Europeans?—Not for so long a time as that; the Europeans carrying it on in boats on the river was restricted to five or six months altogether; if these facts are wished for by the Committee, I can extract them, and furnish a statement of them; I can give much more accurate information by that means than from memory.

1552. Will you explain how it happened that the trade came to be considerably restricted in the latter months of 1838, although the Viceroy's boats were running, and although there had been at that time very few seizures of opium?—The Viceroy's boats did not stop in a day, for they went twice a week before, and they came down to going once a week, once a fortnight, and once a month; they were taken off gradually, and the fellows very likely ran latterly for their own behoof without the Viceroy knowing anything about it.

1553. Do you think it was the alarm created by the imperial edicts, and the anticipation of further and more stringent measures, which restricted the carrying in mandarin boats and the carrying in the Viceroy's boats?—No question about it.

1554. Then it was not caused so much by the actual seizures as by the anticipation of future seizures?—No, there were very few seizures, and they were very trifling; eight or ten chests was thought a very large seizure in the river deliveries.

1555. Mr. *Colquhoun.*] Were there not armed boats at the time belonging to Europeans in the river?—The boats were all armed.

1556. Then it was not a new practice to introduce arms?—No, you cannot go up and down the river with safety unless you have arms; people have often been

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robbed between Canton and Lintin, and between Lintin and Macao; you are obliged to have arms to defend yourselves against robbers, or Ladrones.

1557. Then the Europeans in 1838 used boats of the same size, and not more armed than before?—The only difference was, that having more property on board, they had more arms than they would otherwise have had unless when they carried treasure.

1558. The arms being necessary, as a defence, not against the attacks of the government schooners, but against pirates?—We have had no instance of the government schooners attacking European vessels.

1559. Have not we heard of collisions between government ships and European ships along the coast?—Captain Elliot heard of them; I never did; but I do not consider Captain Elliot's authority very good on that point.

1560. You never heard of collisions between the Chinese government ships and European ships carrying opium to land on the coast?—No, not till after I left; we have had published accounts of such things latterly, but not till after I left.

1561. On what do the published accounts depend; on the authority of Captain Elliot?—I believe so.

1562. And that authority, when you were in China, you considered not a good one?—In the first place, he had no means of knowing anything upon the subject, unless what they chose to tell him; that trade was in our own hands for four or five years; we had a vessel lying there the whole year round.

1563. And he could only ascertain the state of the trade from the accounts given him by the merchants?—Occasionally, when the captains and officers came to Canton or Macao, he used to get into conversation with them.

1564. Did the information which the captains and officers gave more fully to you, lead you to believe that there was any collision between the Chinese government ships and the European ships?—I believe not; I believe they saved many lives, but I do not believe they ever took one; they saved many lives from shipwrecked vessels, boats and junks.

1565. Mr. *Gladstone.*] Captain Elliot writes, on the 18th of January 1838, at page 253 in the Parliamentary Papers, that the boat of Mr. Just, a British subject, and a watchmaker residing at Canton, had been visited a few evenings before, and three cases of opium taken; are you, then, accurate in saying that the carrying opium in European boats did not begin till a few months before December 1838?—Yes, perfectly accurate, I believe; I cannot speak to a week or a few days, but it began in that season.

1566. You observe that the date of this letter is January the 18th, 11 months before the period to which you have referred?—That is perfectly consistent with what I say; it was in the end of 1838 that the whole affair took place. I will explain what that seizure was: Mr. Just was a watchmaker in Canton; he had got a small schooner that he used to go to Whampoa in; he got into trade with some Chinese, and brought up these three chests of opium for the purpose of putting them into his store to retail them; the trade was not general then.

1567. You consider that the seizure in Mr. Just's boat was an exception?—It was about the first of the season; there were a good many people engaged in it afterwards; but Just and another man, a tavern-keeper, were the only people at that time, and it was in a very petty way.

1568. For three or four months afterwards, up to June, were there many Europeans engaged in it?—Not many; it began chiefly with the shipping of that season.

1569. Mr. *Colquhoun.*] When Mr. Just's boat was running and seized, the Viceroy's boat was carrying opium?—Yes.

1570. So that in fact Mr. Just's boat was interfering with the Viceroy's trade?—Yes, to the extent to which she was doing business.

1571. Mr. *Gladstone*] Captain Elliot writes this on the 20th of April 1838, in page 299 of the Parliamentary Papers: "My Lord, in the course of the last two months the number of English boats employed in the illicit traffic between Lintin and Canton has vastly increased, and the deliveries of opium have frequently been accompanied by conflict of fire-arms between those vessels and the government preventive craft." You consider, then, that Captain Elliot was not accurate in the statement he here makes?—I think he overrates it very much; I do not believe that there was a single life lost, or a single individual wounded.

1572. Do you think there was any considerable number of English boats employed in the traffic at that period, in April?—I should say not more than three

or four boats in April; it was later than that when the boats began to increase materially.

1573. That statement of Captain Elliot's, that the number had vastly increased between the 20th of February and the 20th of April, is quite inaccurate?—I do not think it strictly accurate; but there is no means of arriving at accuracy, unless we come to numbers upon this point; if there was only one boat before, and another was added to it, the number was doubled.

1574. Must not Captain Elliot's statement, with respect to the general impression it was intended to convey, have been grossly inaccurate, if you are right in saying that there was a very small number of European boats engaged in the traffic at that time?—Yes. I was on the spot, and Captain Elliot was down at Macao; and I leave the Committee to judge which of us was most likely to know anything about it.

1575. Mr. *Colquhoun.*] If the increase of boats was, in fact, only from one to three, you never would apply this expression, "the number of English boats has vastly increased"?—I do not know that I would apply it; but it would be a vast increase upon one, being more than double. I do not know what he means by the phrase, "vastly increased." I should be glad to give a list of the boats, as far as I know them.

1576. Sir *George Grey.*] How many boats had the Viceroy engaged in this carrying trade?—Four.

1577. Then an increase of three boats would bear a great proportion to the whole number of vessels engaged in this traffic?—But they were a very different kind of boats. Some of these boats would come up with five chests, or 10 chests, some with 20, some 30; but the Viceroy's boats took 100 or 200 at a time.

1578. Mr. *Hogg.*] What was the greatest number of European boats ever engaged at any one time?—I think I have seen 16 or 18 lying at one time at Whampoa.

1579. Mr. *Gladstone.*] Are you aware whether the fact of the Viceroy running boats, for the purpose of carrying opium, was ever brought to the knowledge of Captain Elliot?—He could not help knowing it.

1580. Was it an undoubted and notorious fact, or was it doubted, and by some disputed?—It was so well known, that every Chinaman would point his finger to the flag, and tell you, "That is the Viceroy's boat."

1581. Does that statement apply to the whole period of 18 months, during which, you say, the Viceroy's boats were carrying opium?—To the greater part of the time; I cannot speak accurately as to the time; but very soon after the seizure of the sysee silver, contrary to the compact, the Viceroy's boats began to ply for themselves. They negotiated for some time, to try to get some one else to put himself in the situation of the man who retired from being guarantee, but failed.

1582. Mr. *E. Buller.*] Who negotiated?—The underlings of the Chinese authorities; the military aid-de-camp to the Viceroy was the chief person.

1583. Mr. *Gladstone.*] And the Viceroy's boats continued to be engaged in it till near the time of the affair of Mr. Innes?—Yes.

1584. Did you ever hear a statement that the Viceroy's boats were allowed to run by order of government, in order to lead to the discovery of the parties engaged in the opium trade?—No; nor would I believe it if I heard it, because they had the names of all of them before that; they had a list of all the parties connected with it long before then.

1585. You think it was done by the Viceroy in defiance of the imperial edict?—I believe the Viceroy did it for the sake of gain; a vast number of people in Canton said that his boats used to pay him 13,000 taels each per month.

1586. What is a tael?—Six shillings and eight-pence.

1587. You entirely discredit the notion that it was done by the Viceroy under an arrangement with the imperial government?—That I do not know; I should think not; I should hope the Emperor would not be so bad as to issue these edicts, and at the same time to enter into a compact with the Viceroy to break them; but it is generally believed that part of the money went to the imperial treasury in the shape of presents.

1588. Is it believed that the money went to the imperial treasury in the shape of presents, purporting to be levies upon opium, or the fruits of the opium traffic?—That nobody knows; it is believed that all the viceroys bribe, for the purpose of being kept in their places, and that that was the readiest way in which he could make money with which to bribe

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1589. Then the general belief does not include the supposition that the money paid in presents to the Emperor was paid as being part of the proceeds of the opium traffic?—No, I do not believe that any European ever presumed to form an opinion upon that subject.

1590. It appears that there were very few measures taken by the provincial authorities for the suppression or limitation of the opium trade before the month of December 1838?—At different times they have had an opium broker seized, and one or two, I think, were banished to the cold country, or banished from Canton. During the 20 years I was there there was, every two or three years, an opium broker seized; one man was tortured and put to death at Macao, and another man was executed; but those were in such times as 1821, when they were driving the opium from the river; and, in fact, whenever one of the censors sent up a report to the Emperor against the dealing in opium in Canton, the measures became severe, but in a short time they relaxed again.

1591. Was there any native put to death for dealing in opium in 1821?—I do not know that it was in 1821; a few years after that I think there was a man put to death at Macao.

1592. Can you state about the year?—I am afraid to state what year it was in; but it is very well known.

1593. Can you state that it was certainly 10 years ago?—Certainly, it was more than 10 years ago that an instance of that kind occurred.

1594. Mr. *Colquhoun.*] Were not there very vigorous measures taken between 1821 and 1823 by Governor Yuen?—That was at the time the vessels were sent away from Whampoa: but even upon that occasion the Hong merchants, who were the only medium of communication with us, came to us to say, "If you send the vessels outside, that is all that is required; they may carry on their trade quietly, only they must not come in to Whampoa."

1595. Had the Governor at that time the power to stop the trade, if he had been so minded?—I suppose his power must have been pretty much the same as it was latterly; he has not been able to stop it now, with all the stringent measures he has taken.

1596. Sir *Robert Inglis.*] You were understood to state that it was believed that the Viceroys generally, and among them the Viceroy at Canton, made presents to the imperial court in order to keep themselves in their offices, and that you inferred from that that the Emperor was cognizant of the fact that the Viceroy of Canton in particular derived the means of making his presents from the bribes which he received for conniving at the opium trade?—No, I did not state that I thought the emperor was cognizant of the fact; we have no power of judging, except by his own acts; but we know by the imperial edicts that he was aware of the opium trade being carried on, and he accurately describes the vessels by the names of "Flying Dragons," and "Fast Crabs," and the usual phrases at Canton; and he even describes the brokers that come and pay their money and take out their orders.

1597. Mr. *Gladstone.*] Is that in edicts subsequent to the discussions in 1836?—About that time two of them were issued; I think there were some even before then.

1598. Mr. *Colquhoun.*] But you have no proof of such accurate information on the part of the imperial authorities before 1836?—I forget; but I recollect seeing a copy in a Bengal paper of the edicts of 1821, and they were almost *verbatim* the same as those of 1838-9, as if they had set forms in the public offices.

1599. Did they contain the same minute specification with regard to the boats and the persons engaged in the trade?—No; in 1821 the trade had been carried on differently; there was a change in the mode of carrying it on in 1821.

1600. Was the trade carried on then as minutely known to the imperial government as it was in 1836?—I cannot answer as to that.

1601. Mr. *Elliot.*] You said that there were censors who reported to the government, and that upon their reports severe measures were taken; is it not quite certain that those censors, when they reported, would give such information as would put the government in possession of the facts?—No doubt about it.

1602. Mr. *Gladstone.*] Are you quite sure that the description of the kind of boats employed in the traffic is to be found in any imperial edict as early as 1836?—I do not know whether it is 1836 or 1837; I know that it is in the imperial edicts.

1603. You are sure that it is in an imperial edict, and that it is not in the documents

documents presented by some of the official persons to the Emperor?—No, it is in the imperial edicts.

1604. Can you produce that edict?—I have no doubt I can; I will look for it, and endeavour to get it, if you wish it.

1605. Mr. *E. Buller*.] You stated that previous executions had taken place of parties who had been engaged in opium dealing, and that the affair afterwards blew over, and the opium trade went on as usual?—Yes, some of those things scarcely interrupted the trade, except just at the spot where they occurred; they were generally at Macao.

1606. Then you do not attach any great importance to that attempt to execute a Chinese in front of the factory at Canton?—That was a man who had been condemned many months before. The imperial sentence for his execution had come down at that time. The only interest we took in it was, that we did not choose to have the place in front of our factories, where our flags were flying, converted into an execution ground.

1607. Then you would not have taken that execution as an extraordinary warning to abstain from the opium trade in future?—I believe the Governor did it for the sake of effect, that he might publish an edict upon the occasion.

1608. You would have viewed it as intended, like previous executions, merely to serve its immediate purpose, and not as indicating any intention, on the part of the Chinese government, to pursue a more rigorous course with regard to the opium trade?—Yes, that one I should; because the man had been in prison, and condemned, I forget how many months, before these very stringent measures began; he was not a recent offender.

1609. You were not at Canton when the second attempt, which in fact was carried out, to execute a criminal before the factory took place?—No, I had left before that.

1610. But knowing, as you have done for many years, the conduct of the Chinese authorities, had you been on the spot, should you have considered that as so decided an indication of their determination to put down the trade, as to have considered it necessary to abandon the trade?—No, I should have viewed it in a different light; I think they brought it upon themselves. In the first instance the mandarins who came to see the sentence carried into effect, went away and executed the man at a little distance; but then the Chamber of Commerce insisted upon sending in a petition to the Viceory remonstrating against such an attempt, claiming the ground in front of the factory as belonging to us, which was deemed by most people to be imprudent, as everybody foresaw that the reply would be that the ground belonged to the Emperor, and that he would execute as many people as he liked; which was the reply actually given, and I believe the second execution was carried on there to show that he would have his own way.

1611. You look upon that execution rather as an assertion of the right of the Viceroy to carry out his own purposes on that ground, than as an expression of any determination of the Chinese government to put down the opium trade?—Yes.

1612. Mr. *Gladstone*.] Were these executions of natives for dealing in opium of common occurrence, or had you known no previous instance of it?—I think I recollect as many as four or five previous to the one that was tried to be executed in front of the factory.

1613. And there was one at Macao?—There was one at Macao, and another at one of the villages between Macao and Canton.

1614. Do you recollect, previous to the year 1837, as many as four or five instances of persons being executed simply for the crime of dealing in opium?—No, not previous to that; I think there were three took place before that, that I have some faint recollection of; I think I recollect two at Macao.

1615. Do you mean two independently of the cases recorded in the Printed Papers laid before Parliament?—I mean two independently of those.

1616. Do you consider that the claim of the merchants upon Her Majesty's Government for indemnity rests in any degree upon the circumstance that the system pursued by the provincial authorities with regard to the opium trade was one of connivance?—I do not know that I should be a fair judge upon that question; I consider that when Her Majesty's representative made himself responsible for it, he was as responsible as if it had been bags of flour or barrels of beef, or anything else for Her Majesty's service.

1617. Without meaning to imply any opinion with respect to the sufficiency of

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the claim which you found upon Captain Elliot's order, the question is, whether you think that it derives any corroborative force from the circumstance that the system pursued by the Chinese authorities, with regard to the opium trade, had been one of connivance?—I think that the circumstance of their connivance, and of our own authorities having sanctioned the trade by their own declarations, and continuing to foster it and increase it in Calcutta, renders it to all intents and purposes, so far as the dealers were concerned in it, a legal trade.

1618. You rely upon the order of Captain Elliot; you also rely upon the countenance which, as you say, was given by the authorities at home and in India to the trade, as strengthening the claim upon Her Majesty's Government; do you also rely upon the connivance of the Chinese authorities as strengthening the claim upon Her Majesty's Government?—Yes, I think it makes a less objectionable case.

1619. Supposing that, on the other hand, the merchants had been carrying on a contraband trade against the evident and determined intention of the Chinese government, do you think that would have weakened the present claim, and deprived it of the strength which it now has?—I do not see how anything could have weakened the present claim, so long as Captain Elliot made himself responsible on behalf of his employers for it; if it had been seized in smuggling, we should have nothing to say.

1620. Do you think, that if the merchants had been persisting in the pursuit of the opium traffic against the evident and palpable intentions of the Chinese government for a series of years, that would have deprived the present claim of the additional strength which you consider it derives from the contrary having been the fact?—I dare say, in the minds of many people, it might; it would not in mine, because I could not get over the straight-forward principle of making good the engagements of the party you employ.

1621. Mr. *E. Buller.*] The consent of the English Government, and the connivance of the Chinese government, only go so far as this, to place opium precisely on the same footing as other merchandize?—Yes.

1622. It merely amounts to this, that the trade was not so notoriously a contraband trade that the English Government can turn round and say to the merchants, you were engaged in an avowedly illicit and contraband trade, and therefore we will not give you compensation?—Precisely so.

1623. Mr. *Gladstone.*] With respect to the connivance of the Chinese authorities, do you think that for some considerable period before you left China there were clear indications of an altered course of policy on their part, and that a crisis was evidently coming?—It was very clear that the Emperor had become more determined to put the trade down than he had previously been; but I do not think there was anything to lead you to believe that it would not be got over till Commissioner Lin came down; I think the thing was altered then for the first time; previous to that there was no Chinese law by which a foreigner could be punished for dealing in opium.

1624. Did you ever know, before the end of 1836, of an edict ordering the expulsion of English residents on account of their trading in opium?—Yes, I believe some of them were; I have been expelled at least a dozen times by imperial edicts.

1625. Do you mean that you had been ordered to quit Canton at least a dozen times before the close of the year 1836, on account of dealing in opium?—No.

1626. Had you ever been ordered to quit Canton for dealing in opium before the end of 1836?—I think not, but the edicts will prove that; they are all on record.

1627. Do you know any instances in which British residents were ordered to quit Canton before the end of 1836, for the single act of dealing in opium?—I think not.

1628. Do you think you must have known of such a case if it had occurred?—I think I must.

1629. Are you prepared to say that you know of no instance of an edict ordering the expulsion of British residents before the end of 1836, for dealing in opium?—I have no recollection of it.

1630. Was it not the fact that such an edict appeared at that time?—There was an edict appeared about that time in which names were given.

1631. You did not interpret that edict as giving evidence of an altered policy on the part of the Chinese government?—Not at all, because the Hong merchants

came

came and begged that I would send a nephew of mine down to Macao, which they said would answer all the purpose, and they would give him a chop boat to take him down; and he went down and came back again, and the thing was settled.

1632. Mr. *C. Buller.*] In fact the Chinese government has often ordered the expulsion of foreigners, but it was such a mere farce, that their doing it upon this occasion did not impress you with the idea of any particular sincerity of determination against the opium traffic?—Not in the least.

1633. Mr. *Gladstone.*] Are you aware whether Captain Elliot believed them to be sincere in their intention of expelling foreigners who were engaged in the opium traffic?—I think Captain Elliot was much more alarmed than there was necessity for upon those occasions.

1634. Mr. *Hogg.*] Supposing that Committees of both Lords and Commons had strongly reprobated the opium trade, and supposing the Chinese government had never directly or indirectly connived at it, would that have altered your opinion as to the validity of the claim founded upon a compliance with the requisition of Captain Elliot?—No, I do not know that it would have altered mine. The simple circumstance of Captain Elliot demanding the property in the name of Her Majesty, and promising to remunerate them for it, is sufficient for me, but others may take a different view of it.

1635. Mr. *Gladstone.*] Are you aware that in the year 1837 the local authorities of Canton applied to Captain Elliot on the subject of the receiving ships, earnestly requesting that they might be sent away; and that upon his answering that he had no control over them, they urged that he should make a representation to his Government at home, in order that they might be sent away?—Yes, I recollect that.

1636. Were you cognizant of that fact at the time?—I was.

1637. Was not that rather a new circumstance in the policy of the Chinese government?—Our having a representative in China was a new circumstance altogether. We have only had one from 1835.

1638. Was not such a requisition on the part of the Chinese government a new circumstance?—They used to issue edicts, and send them to the merchant that they thought of the greatest importance, or that had the most trade, and begged that he would circulate them among his countrymen; and when there was a consul they used to be sent to him. It came through the Hong merchants.

1639. Was not it a new circumstance, that besides issuing edicts ordering the vessels to quit, they should have addressed a requisition to the British superintendent, urging him to make known that demand to his Government at home, with a view to its being complied with?—It is the second instance that I have known of any reference home, and the other was requesting some one to be sent to take care of the trade after the Company's supercargoes were sent away.

1640. Do you interpret that as indicating sincerity and earnestness on the part of the Chinese authorities?—It did not strike me so at the time.

1641. Do not you think that the Chinese authorities are very desirous that some person should be sent with power to superintend the trade and to control the British residents?—I believe that the Company's supercargoes got up that requisition themselves; Mr. Marjoribanks applied to Howqua, who was the originator of that.

1642. Do not you think that the Chinese were very desirous that there should be some efficient authority over the British residents?—They were desirous that there should be a head man or consul; they did not care what he was, so long as he was a merchant; they did not want a man of any rank or any official dignity.

1643. Do not you think that they were in earnest when they desired that a reference home might be made upon that subject?—I do not think they were, particularly; I think it was more an idea of theirs that it might be possible to get the Company to continue; it was an act of Howqua's, very much.

1644. Is it the habit of the Chinese government to interfere in the government of the foreigners resident in Canton?—They do everything through the Hong merchants.

1645. Is it not their practice to abstain from interference, except in cases of homicide?—As much as possible.

1646. Was not it, then, of great importance to them to have some foreign authority on the spot, who might be able to act judicially and to govern the foreign community?—No, I do not think they cared much about it, further than preventing rows in the streets.

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1647. Was not it of importance for that purpose, and for the control of ships' crews, and other similar purposes?—It was of more importance to us than to them.

1648. Was it not of considerable importance to them, for the peace and good order of the place?—The same as it is in every place.

1649. Is it not of great importance in all places?—The same there as elsewhere.

1650. Then, if the having such an authority upon the spot was a matter of great importance to them, and if they made a requisition that a reference might be made home that such an authority should be sent to Canton, does not it appear that the making such a requisition home was an indication of their earnestness upon the subject?—I have stated the view that I take of the subject.

1651. You do not feel prepared to give a directly affirmative or a directly negative answer to that question?—No, I have stated the light in which I view it, and that is all I know about it; I have given my opinion as I formed it at the time.

1652. You were understood to state that when the Chinese urged Captain Elliot to refer home upon the subject of sending away the opium ships, you were not struck with that circumstance as an indication that they were more earnest than usual upon the subject?—I viewed it as nothing more nor less than an act of Howqua's, that he might be able to show the authorities that he had done all in his power; that he had requested the British representative to send home to his Government to have the ships sent away, and that when he had done that, he thought no more about it.

1653. There was an edict in 1837 threatening to expel Captain Elliot, and to stop the trade, unless the receiving ships were sent away?—I have a faint recollection of that edict.

1654. There was a series of edicts to that effect?—Yes.

1655. Was it usual to threaten to drive away the British authorities resident in Canton, unless the receiving ships were removed?—I do not think it was.

1656. Did that strike you as indicating greater sincerity and earnestness of purpose on the part of the Chinese authorities?—No; I think we all considered it very much a matter of course; we had been too long accustomed to see all these edicts pass away as nothing, to be struck by them.

1657. If these were new features in the edicts that were issued, was it natural to regard them as matters of course?—We did so; I do not know whether it was natural or not.

1658. Are the Committee to understand that up to the moment when you left Canton, there was no practical effect produced upon the course taken by the British merchants?—Latterly, within the last few days before I left Canton, I think they began to suppose that the thing was more in earnest; the first thing that struck me was the edict being issued to all the different provinces of China without exception; the previous ones had always been issued to Canton alone, or to the two provinces under the Viceroy of Canton; but when the edict became general to every province throughout the whole country, I began to think that the thing was more in earnest, and I kept a vessel ready to send to Calcutta to stop purchases at the first Calcutta sale; but I was overruled by other people, who thought more lightly of that edict than I did.

1659. That was almost immediately before Lin's arrival?—Yes; it must have been about the month of November, because I kept a vessel ready to send to Calcutta, that she might be in by the first sale.

1660. About the beginning of the month of December you began to consider that the Emperor was more in earnest?—Yes; when that edict came out which bore upon every province of China, I began to fancy he was more in earnest.

1661. That was nearly four months before the demand for Mr. Dent's delivery?—It was in December; the demand for Mr. Dent was in March.

1662. Are you aware whether during that interval any measures were taken by any British houses to withdraw from the opium trade?—Not that I am aware of.

1663. Do you think that the Emperor of China might have realized a considerable revenue from opium, if he had been so disposed?—I think he might; with reference to the trade inside the Bogue, I offered to put an end to it whenever they liked; I pointed out again and again that they had only to search every vessel as she came in, and to send her back if she had opium on board.

1664. Were not the boats in which the trade was carried on armed?—They would not have used their arms against custom-house officers sending them back; they might have used their arms if they had tried to take it from them.

1665. Would not they have forced their way in?—I do not think they would.

1666. Have

1666. Have you sufficient knowledge of the parties engaged in that branch of business to make you feel confident that there would have been no risk of bloodshed?—Yes, I have not the most distant idea that there would have been any.

1667. Your opinion upon that, however, is at variance with the opinion of Captain Elliot?—Very likely; but I think I know a great deal more about it than Captain Elliot.

1668. Mr. *Hogg.*] You stated that the poppy was cultivated in some provinces of China; when the edicts were issued for the suppression of the trade in opium, were any corresponding edicts issued to suppress the cultivation of the poppy in the provinces?—I think not; I never could find any of them; and I was very much struck with the circumstance, having known that there were orders in the Pekin gazette, again and again, to destroy the poppy in different districts where it was grown in former days, as far back as 1824 or 1825, that ever since they became so severe upon the foreign opium, I have not been able to hear of one of those orders in the Pekin gazette.

1669. Your attention has been drawn to the matter, and you have inquired?—I have.

1670. Then you do not believe that when these rigorous measures were adopted for the suppression of the foreign opium trade any corresponding measures were adopted for the suppression of the trade in the interior?—I think not.

1671. Mr. *Gladstone.*] Is there not a very strong taste for opium among both the Chinese inhabitants and those of the neighbouring islands generally?—There is a very small portion of the Chinese population that use opium, if you consider it as comprising 300 and odd millions; I suppose that there are not more 2,000,000 or 3,000,000 required to consume all that they take.

1672. It is an expensive luxury?—It is.

1673. Are the means of the great bulk of the population such as to enable them to purchase it?—Some of the lowest class use it.

1674. Mr. *Herbert.*] Upon the coast, where the ships go, is it not generally used?—I believe the opium pipe is as common in the province of Fokein as the tobacco pipe is in Canton.

1675. Mr. *Gladstone.*] Is the tobacco pipe very common at Canton?—So common in every house that upon a Chinaman coming in they always offer him a cup of tea and a pipe. There are generally a dozen standing ready in the corner of the room, and a man to light them.

1676. With respect to the coasting traffic in opium, is it your opinion that the Chinese government have not the power to put it down?—They have the power to put it down through the medium of their own people; they have not the power to drive away the vessels from the coast; their mode of putting it down would be by preventing their own people from going off to them.

1677. Upon such a vast extent of coast, would not that be almost impossible?—It all depends upon the magistracy that they have. We find it difficult to prevent spirits and tobacco coming into England, and I suppose they would find the same difficulty.

1678. Considering the difficulty that exists in England, where there is a remarkably efficient service, and considering the particular inefficiency of the service in general in China, and particularly of the nautical service, do not you think it is almost impossible for the Chinese government to put down the coast trade in opium?—There is one distinction to be borne in mind, which is, that the one is an arbitrary government, and the other is not; here every thing must be done according to law, but there the will of the mandarin is every thing.

1679. Do you think that distinction tends in favour of the chance of putting down such a traffic?—Yes, if they were in earnest, I think it does.

1680. Are you of opinion that, with opium ships constantly coming in sight of the coast, the Chinese government have the power of preventing its being landed?—I believe they might in a great measure lessen it; to say that they could entirely prevent it would be speaking against experience everywhere else.

1681. Do the opium ships which sail up the eastern coast always sell the opium to the native boats, or are their own boats ever employed to carry it on shore?—I suppose that 99 times out of 100 they sell it to native boats.

1682. Would it not be extremely difficult to prevent the native boats from coming off to those ships by night, and in unfrequented places?—It is difficult to suppress smuggling everywhere where the gain is great.

1683. Would there not be many peculiar difficulties in that case?—I do not see

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why there should; you have only a few places upon the coast where the vessels are, and there are military on shore, and custom-house officers on shore.

1684. Do not the opium vessels to a considerable extent frequently change their place?—Yes, they move about; they are often told by the authorities at a place, I wish you would go away and come back again; there is a mandarin inspector coming here.

1685. Do not those circumstances increase the difficulties?—The extent of the coast increases the difficulties no doubt; but they might lessen the trade if they cannot entirely suppress it.

1686. Taking into consideration the extent of the coast, and the strong taste for opium among the people, and the corruption of the local authorities, and the inefficiency of the marine, do not you think that it amounts nearly to an impossibility to prevent the trade?—I think that laying any stress upon the strong taste of the people for opium is a mistake, because it is not the people that smuggle it that use it; it is done for the sake of gain.

1687. Does not the strength of the taste for opium induce the people to give a high price; and does not it in that way form a material element in the case?—The larger profit it brings, the more inducement there is to the party to smuggle it.

1688. Then does not it become a material element in the case?—It is the same there as everywhere else; we know that we have, by our coast-guard, put down smuggling very much, and the Chinese might do the same if they were to use effective measures.

1689. Do you think they would be able to limit it considerably?—I believe they would.

1690. Mr. *Elliot.*] Is the smoking of opium in moderation very injurious?—I do not think it is.

1691. Is it at all so?—It is with some, but with others not; so far as it affects the stomach and bowels it is injurious.

1692. But the same answer would apply in some measure to tobacco?—In a great measure, and to ardent spirits.

1693. Do you think that out of the multitude of persons that smoke opium, there are a large proportion that do not suffer injury from the habit?—Many.

1694. You think that a large portion of the consumption of opium does not, in fact, go to demoralize the people?—I think there is a great deal more said about it than is necessary; I think that if I had any friend that was about to submit to being either a dram drinker or an opium smoker, I should select opium as less dangerous to morality, and as less injurious to the health.

1695. Sir *G. Grey.*] Do you know whether the cultivation of the poppy has increased in China lately?—No.

1696. Have you any information upon that subject?—We have with respect to one province. Among the reports made to the Emperor there is one man who remonstrates with the Emperor about admitting it; he says that in his native province there are thousands of chests produced annually.

1697. *Chairman.*] Is there anybody in your own office who is an habitual opium smoker?—Our compadore, who had charge of the cash, had smoked opium between 30 and 40 years.

1698. Mr. *Elliot.*] What have been the effects upon him?—No evil consequences that I saw; he was one of the cleverest fellows I have met with; and for the last half dozen years that he was with us, there passed more money through his hands than had ever gone through the Company's treasury in the same time, and I never knew a mistake all the 30 years that he was there.

1699. Do you think that is a common instance?—I think there are many such; I have known many die with all their faculties in complete exercise between 70 and 80 years of age, who have been opium smokers.

1700. Then the evil arising from opium smoking is more in the abuse of the habit than in the indulgence of it in moderation?—Decidedly.

1701. Mr. *Herbert.*] Does it produce any effect upon the appearance?—Some of them get cadaverous and thin, others are plump and fat.

1702. Mr. *E. Buller.*] Was your own compadore affected by it in that respect?—He was middling; he was afraid of it making him black in the face; he was a bit of a dandy; and, therefore, had his opium refined more than that generally used.

1703. Mr. *Brownrigg.*] Does not the opium ordinarily used in smoking undergo a considerable dilution from the state in which it is imported?—It gets purified from the feculent matter attached to it. A chest of Patna, of about 120 catties to 124 catties, yields about 50 of pure extract fit for smoking.

1704. Mr. *C. Buller.*] Is not it the fact that what you call opium, and sell to the Chinese as such, is not what medical men call opium, but is rather what they call morphia?—No; what we sell to them is opium; it is the juice of the poppy as it is taken from the capsule of the poppy; they scratch it with a knife the night before, and before the sun gets up they take away what has exuded, and that is what we sell to the Chinese.

1705. Sir *Charles Lemon.*] In Canton is it refined by the persons themselves that use it, or is there a trade of refining it?—Men who use it largely have generally servants that can prepare it; but there are public preparers of it; it takes two or three days to prepare it.

1706. The only way in which it is supplied for use is in a refined state?—It is retailed in that state.

1707. Where it loses about half its bulk?—Rather more than that.

1708. Is that process of refining very laborious, and is it easy to detect by the government?—You cannot pass a street where they are either smoking it or refining it without smelling it; it affects the air.

1709. It is easily detected?—It is.

1710. Mr. *Hogg.*] Are there no public shops in Canton, where the Chinese can enter and ask for a pipe of opium?—Yes, and where they go and smoke; there are smoking divans. There was a foyuen who was a bitter enemy to it, and was in the habit of prowling about in disguise at night to ascertain what was going on in the town, he went into those places; and he declared, before he had been more than two or three months there, that he had quite altered his opinion; that they were respectable and gentleman-like men that he met in those divans.

1711. Are any means taken by the persons who keep those smoking shops to conceal them?—Nothing more than feeing people to shut their eyes. Where they keep their store, they have it walled up as you would brick up wine in a cellar.

1712. But the shop itself is easy of detection?—Yes, they have a list of them all; the police runners sometimes come and tell them, "There is going to be a search for you; you had better get out of the way."

1713. Does the partial use of opium smoking generally lead to great excess and great abuse?—It does with imprudent men; but there are many men that take their opium as steadily as we take wine.

1714. Has not it almost an irresistible tendency to lead to excess?—Not with a man of any strength of mind.

1715. Not more so than spirits?—No.

1716. And you think that opium may be used moderately, with as little chance of leading to excess as ardent spirits?—I think so.

1717. *Chairman.*] Do you know what is the cost of a chest of opium retailed in Canton after running all risks?—It varies very much. I recollect at the time the regulations became so very severe, it doubled its price in very few days. They get 50 catties out of a chest, which costs them generally about 600 or 700 dollars, and they require to sell it, to be paid, at the rate of about 1,500 to 1,600 dollars, which would be about 100 dollars the pound.

1718. Mr. *Hogg.*] What is the price of an opium pipe in one of the shops?—I do not know. I have gone in and seen them, but I never tried to smoke it.

1719. You do not know what would be charged for an ordinary smoke, such as an ordinary dram?—No, I do not. I think they do not take it in that way; they have very handsome little boxes made of silver, with a top to them. The smoking apparatus is a very handsome one, more like a gentleman or lady's dressing-case than anything else.

1720. Mr. *Elliot.*] Do you conceive that there is more injury done by the use of ardent spirits and liquors in general in this country, or by the use of opium in China?—I should say that the drinkers in this country are infinitely more disgusting passing along the street than the opium-smokers in China.

1721. In what proportion would you say it affects the population of each country; is there more of one or more of another?—That is a difficult question to answer. I should think there were more dram-drinkers in England than opium-smokers in China; that is, persons who are publicly known to be such; men that make themselves offensive by it. There are many people in China that smoke, and you know nothing about it.

1722. Have you observed in China that a larger number of the population are injured by the habit of smoking opium than you have observed in this country to have suffered from the habit of intemperance in the way of drinking?—I should

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give it in favour of opium as being the less of the two; but it is not a fair question. I know more people in this country than I do there. I could not name perhaps more than six or eight instances where I have known people injured by smoking opium in China, putting them altogether.

1723. Mr. *Herbert.*] Is it sufficiently cheap to be accessible to the lowest class?—The inferior kind is; there is a kind of refuse that is sold to the inferior classes of society that they get tolerably cheap.

1724. Which class is it that smoke most universally, the upper or the lower?—I should say the public functionaries, and the people in public offices, are the people who use it more generally than any others, and many of the military.

1725. Mr. *Gladstone.*] Do you suppose that opium is used by anything like the same proportion of the population in China that use spirits here?—No; I should say not so many. I think there is more drinking of spirits here than there is smoking of opium in China.

1726. You say that a chest of 120 catties of Bengal opium would yield about 50; what is done with the rest of the chest?—It is thrown away. The opium juice, when collected, is put into a case which is made like a cocoa-nut shell, by means of poppy leaves and poppy flowers, moistened with a solution of opium in water; a round piece is then cut out of the so made case, to admit of the juice being put in; it is then closed up by replacing the round piece, and, in this shape, carried to China: all this case is thrown away as refuse, when the opium has been extracted by boiling, straining, and filtering.

1727. Has it ever been attempted to perform the process of refinement in Bengal?—Yes, often.

1728. Does it sometimes come from Bengal to China in the refined state?—The Company sent it to have it tried in that way; I left a number of musters at Macao when I left China, which I saw the last day I was there, of that description, but the Chinese do not like it; they prefer preparing it themselves.

1729. Then the process does not answer perfectly?—It never does for general use.

1730. Mr. *Hogg.*] Is it only used at Canton for the purpose of smoking; do not they chew it?—Very few; there is one particular district where they use the Turkey opium, where I understand they chew it.

1731. As far as your means of knowledge go, generally throughout China is it used for the purpose of smoking or for chewing?—For smoking; there is only one district that I know of where they chew it, and that is west of Canton.

1732. Mr. *Elliot.*] Is any quantity of Turkey opium imported into China?—Yes; I believe the consumption, when it is not used for adulterating other opium, is about 600 peculs in a year; but I have known 1,200 and 1,500.

1733. Who have generally imported that opium?—The American houses used to have the Turkey opium in their hands.

1734. *Chairman.*] The captains commanding the ships on the coast were in your employment, were they not?—Yes, the vessels belonged to us.

1735. They were persons on whom you placed great reliance?—They were people in whom we had implicit confidence.

1736. Therefore, if anything had happened with reference to a contest with the natives, you had full confidence that they would have communicated that fact to you?—They used to send reports. Their instructions were, that they had got their arms and their extra men to defend themselves against any attack, but upon no account to commit any acts of aggression upon any one.

1737. You feel sure that if any contest with the natives had occurred in which there had been any loss of life, you would have known it?—No question of it.

1738. Mr. *E. Buller.*] Were there instructions to defend themselves against the Chinese authorities?—Not against the Chinese authorities; against being attacked by anybody.

1739. What penalties were those parties liable to, by the Chinese law, who were engaged in that trade along the coast?—No penalty that I am aware of, further than being sent to their own country to be judged by their own government. Sir George Staunton states in his speech, that as far as his knowledge of the Chinese law goes, there is only one crime, that of murder or homicide, which is punished with death, where they allege that it is life for life; in the case of foreigners. But that is the only crime for which they have any power to punish a foreigner, beyond expelling him from the country, to be dealt with by his own government.

1740. Mr. *Herbert.*] Is the cargo ever confiscated?—There is no instance of confiscating

confiscating a cargo; they have the power of seizing opium, and if they seize it, they confiscate it.

1741. Mr. *E. Buller.*] With regard to the power of seizing it, does that power exist by the Chinese law?—No, I do not think there is any law authorizing them to seize foreign property upon the high sea, but opium being prohibited they would make that an excuse for doing so.

1742. You are not aware of any law by which any cargo lying at Lintin was liable to confiscation by the Chinese authorities?—No, not lying at Lintin, because I consider that the outer waters; I believe if they had seized opium at Whampoa they would have had the right.

1743. But that lying at Lintin, it was decidedly contrary to the Chinese law to seize it?—There is one edict in which they tell us to go to Lintin from the Kamsingmoon, as that is the proper place for us; so that that is like licensing it.

1744. But no trade with China is legal, or sanctioned by the imperial government, but the trade with the port of Canton?—No, it is illegal.

1745. All other trade is in fact illicit trade, whether it is carried on in opium or in other goods?—Yes.

1746. If opium is liable to confiscation, other goods would be equally liable to confiscation if they were breaking the Chinese law by endeavouring to trade outside the port of Canton?—No question about it; it is under no further regulation than the other, except that they every now and then issue an edict prohibiting it altogether, as we did Bandannah handkerchiefs in former days.

1747. Then you do not deny the right of the Chinese to confiscate if they could get possession of the opium?—If they had seized it, we should never have made a complaint to the government upon the subject.

1748. You consider that you are liable to that risk?—Yes, but it is not a very great one, as we always get the money before we issue the order.

1749. Mr. *Gladstone.*] Do you think it was in the power of the Chinese government to seize at Lintin?—No.

1750. Mr. *E. Buller.*] The penalty which they threatened, and which they endeavoured to enforce, was not confiscation, but the sending the ships away?—Yes.

1751. They always held out that an attempt to trade with any other port but the port of Canton, would be met by sending the ships away?—By expulsion.

1752. Expulsion was the penalty attached to any attempt to violate the harbours of China?—Yes.

1753. Mr. *Gladstone.*] Was there any attempt to seize foreign opium below the Bocca Tigris previous to your leaving China?—Yes, there was a seizure took place in a vessel owned by Portuguese, who had been cheating the Macao custom-house by not paying them their fees.

1754. Was that shortly before your leaving China?—I think it was in the year 1838.

1755. Do you know of any other case of the seizure of foreign opium?—No, not below the Bocca Tigris.

1756. Mr. *Hogg.*] You say that by the Chinese laws the authorities would have had a right to confiscate any opium seized within the Bocca Tigris; supposing they had sent an adequate force of war junks to Lintin and seized the opium there, would they have had a right to confiscate it?—It is very much like a French vessel with brandy anchoring beyond the boundary between us and France, where she could tell our fleet, 'I mean to run this cargo in to-night, but as to your touching me while I am here, you cannot.'

1757. Mr. *Gladstone.*] Is not Lintin within the Chinese waters?—It is in the outer waters.

1758. Mr. *Hogg.*] Did not the authority of Captain Elliot extend expressly to that very spot, as included within the Chinese waters?—No; his authority was first intended to extend within 100 miles of the coast all along, then it was restricted to the port of Canton; they used to send a cutter in to sign documents inside the Bocca Tigris, and then go out again; but they found that inconvenient, and they applied to have it extended to Lintin.

1759. Do not you consider Lintin expressly within the limits of the Chinese authority?—I go by the distinction they make themselves; they call it the outer waters of China.

1760. Mr. *Colquhoun.*] Does not their jurisdiction extend over those outer waters?—I believe not; our men-of-war took vessels there during the American war, and they did not consider that they were infringing the neutrality; that is perhaps as strong a case as we can have.

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1761. Mr. *C. Buller.*] Then do you think that the Chinese government have no more jurisdiction over ships lying at Lintin than they have over ships at Manilla?—They have as much jurisdiction over them as we should have over a boat loaded with French brandy lying about the division line between France and England.

1762. Mr. *Gladstone.*] That is none at all?—None at all.

1763. Mr. *E. Buller.*] But in the one case the French boat is within the French waters, and in the other case, at Lintin, the boat is within the outer waters of China?—I will suppose her to be a Spanish boat lying in the position of the French one, and then it will be on the same footing exactly.

1764. By that you mean to say that the Chinese have no jurisdiction whatever in the outer waters?—They themselves do not consider their custom-house laws to extend there.

1765. You are aware of the distinction which is made between the inner and the outer waters; are not you also aware that there is a distinction made between the outer waters and the great sea beyond?—There is a distinction, but it is very undefined.

1766. Then it amounts to this, that, in point of fact, they seldom if ever exercise any jurisdiction without the port?—I have never known them, further than issuing those edicts.

1767. Mr. *Colquhoun.*] Does not the Chinese admiral exercise authority over the outer waters?—The Chinese admiral has been ordered to send the vessels away again and again.

1768. Which he would not have been ordered to do if they had been lying on the high seas?—He would have been ordered to do it if they had been lying at the outer Ladrone Islands, which are a long way beyond.

1769. Mr. *E. Buller.*] Are not you aware that the Ladrone Islands are the boundary of what they consider the outer waters?—Not the outer range of the Ladrone Islands.

1770. Is not the fact of an order from the Chinese government to send away ships from Lintin an assertion of their authority over those seas?—It is an assertion of their authority over those seas, as far as preventing their lying there; but they have never used force to carry it into effect, and to prove that they thought they were right in doing so.

1771. Then any right that exists must arise, not from the exercise of that right on the part of the Chinese, or from prescription, but only from the universal law of nations?—No; the question would be, whether Lintin was or was not within the limits within which they had a right to order vessels away. Macao Roads are in the same predicament. I suppose that it would be defined by the extent that their guns would reach, where they could protect vessels.

1772. Are you aware of any edict which either asserts the extent of their authority or which limits the extent of their authority?—I do not know that I am; I think it is a very undefined point where their authority ceases; the only distinction they draw is between the ocean and the outer waters.

1773. In point of fact, they do not exercise any regular authority in the outer waters?—Not that I have ever witnessed or heard of, further than those paper edicts.

1774. Mr. *Hogg.*] Do you think the English authorities would seize a French ship with brandy lying about Ramsgate?—Yes, I think they would.

1775. Do not you think that Ramsgate is much more parallel, with regard to Lintin, than the imaginary line between France and England?—No; we are a long way from the provincial town when off Lintin.

1776. Is not Lintin within the river, although it is called the outer waters?—No, certainly not; it is not within 20 miles of it.

1777. Mr. *C. Buller.*] Is Lintin an inhabited island?—It is.

1778. Has it been long inhabited?—Yes; it was there where the Topaz killed a man.

1779. Mr. *Gladstone.*] Is it a part of the empire of China?—I believe so.

1780. How is the anchorage formed?—It is an open bay, and a very shallow bay, with two projecting points.

1781. Is the anchorage formed, in any degree, by any part of the coast of the main land?—No, entirely by the island; they shift about from one bay to another, all round it.

1782. If the island of Lintin is in the dominions of the Emperor of China, does not it seem to follow that the bay, which is formed by the coast of that island, must

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be part of the Chinese waters?—No, I do not think that follows exactly, if you mean the inner waters of China.

1783. Was not it common for the naval functionaries of the Chinese to visit the receiving ships?—The admiral used occasionally to visit them.

1784. Were not fees paid to them?—The Chinese paid them; we did not.

1785. Were not fees paid by those on board the receiving ships?—No; the captains of the receiving ships used, at the request of the opium brokers, to receive a dollar upon every chest, which, they said, went to the admiral; but we had nothing to do with it, further than handing it over to one of them at the end of each month; and they used it in feeing the authorities.

1786. You do not see, in that circumstance, any recognition of the jurisdiction of the Chinese authorities?—No, I do not see the least.

1787. Mr. *E. Buller.*] Did not the mandarin boats lie quite close to the ships at Lintin?—They used to go on board, and sometimes the mandarins went and dined with the captains of the opium ships.

1788. Were not they there for the avowed purpose of preventing the opium being carried on shore?—Not exactly; it is an admiral's station.

1789. Have you never heard instances of mandarin boats stationing themselves quite close to a vessel to watch the delivery of opium?—Frequently.

1790. And they have made seizures?—Yes.

1791. Is not that exercising jurisdiction in the outer waters?—Those are generally boats employed by a petty mandarin, whose master does not even know of it; the only large seizure that was made was in that way by a man from Heongthan coming in, using his master's flag; one of the smuggling boats ran aboard another smuggling boat, and the seizure was made by authority of the flag.

1792. But whether it is done by an inferior mandarin, or by a superior mandarin, it is equally an assertion of the Chinese authority?—These fellows committed an act of depredation, and justified it by producing the flag as their authority.

1793. But the mandarin boats are stationed there for the purpose of preventing smuggling, and are looked upon in that light?—If I am asked whether the admiral has instructions to prevent smuggling, there is no question he has.

1794. And that to a great extent he endeavours to act according to his instructions?—Not much of that, I think; he takes his money, and keeps quiet, and smokes opium himself, and goes on board and gets a supply every now and then.

1795. Mr. *Gladstone.*] There is an edict of the 22d of November 1837, in page 251 of the Parliamentary Papers, which contains the following passage: "It appears from this memorial, that the receiving ships of the English and other nations have of late years, under the pretext of taking shelter from the weather, been in the practice of entering the inner seas. Commands have now been issued to the Hong merchants, to be by them enjoined on the superintendents of affairs of the said nation, requiring that all the receiving ships anchored off Lintin and other places be sent away, and ordered by him to return to their country." Is not that one instance of assertion of jurisdiction over these particular waters by the Chinese?—I believe that applies to Kam-Sing-Moon, which you enter by a narrow neck. They succeeded in banishing the ships out of Kam-Sing-Moon, and they erected batteries there to prevent them from returning.

1796. *Chairman.*] What do you think will be the effect upon the parties in Bombay and Calcutta engaged in the opium trade, and whose opium was given up to the Superintendent; will it produce upon their part great distress?—It will be utter ruin to many of them.

1797. Are there many persons with small means engaged in that trade?—A great many.

1798. Mr. *Brownrigg.*] Principally Parsees?—Principally Parsees.

1799. *Chairman.*] Do you think that any considerable number of the parties whose opium was surrendered have got any compensation for those losses by increased profits upon opium sent out to China since?—No; most of them were disabled from sending any more opium by having their funds locked up there.

1800. Did the price of opium, after the seizure, fall very prodigiously in Calcutta and Bombay?—It fell so much in Calcutta that the Company were obliged to tax their opium at 400 rupees a chest, and if there was no bidder, to be taken in. I do not think there was a great deal taken in; it had begun to improve in China, but it had been bought as low as 250, I think, and 280 rupees previous to that.

1801. Would that low price tempt other parties to engage in the trade?—There

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is no doubt it tempted other parties, but not those parties whose property was locked up.

1802. But you have no doubt that the withholding so large a portion of funds from those parties in Calcutta and Bombay, particularly in Bombay, would produce great and general distress among those persons?—All the letters that I have had from Bombay talk of the commercial distress produced by withholding the capital; they complain bitterly of the breach of faith of the Government, and say many families are suffering most severely in consequence.

1803. Sir *G. Grey.*] How has the surrender of the opium affected the price in China?—It had the effect for the moment, while there was little there, of raising the price; but then it was sold in very small quantities at a time. Afterwards the prices on the coast got up to much what they were before.

1804. Has the trade gone on briskly since?—There has been a good deal, as far as my information goes, done on the coast since.

1805. There has been no material diminution in the quantity actually delivered?—There is very little, I understand, going on about Lintin, where Lin and his myrmidons are; but along the coast, I understand, the deliveries are going on rather briskly.

1806. Then it had the effect rather of altering the place of delivery than of diminishing the aggregate amount delivered?—Yes; it altered the kind of people that carried it on. In former days they were wealthy men that carried it on, in a wholesale way; and now the inferior classes of people along the coast go off in boats, uniting together small sums of money, to enable them to purchase a chest or half a chest.

1807. Mr. *Brownrigg.*] In a previous part of your evidence to-day you stated that upon a former occasion, when the merchants engaged in the opium trade suffered a heavy loss, a part of the purchase-money had been refunded by the East India Company; will you state the circumstances connected with that transaction, as far as your memory extends?—I will furnish the Committee with a statement of the particulars. I forget the amount, but the Bengal Government made a distinction between China and Singapore. They gave a larger remuneration to those who had purchased at a certain period for China than they did to any one else; they gave them more than they did the Singapore people, and some of the Singapore people they did not allow anything to, according to the time when the purchase was made. The prices were run up very much at Calcutta, in consequence of a general belief that the opium trade would be legalized; and why the Company did it, unless they could not have cleared the opium, I have no idea.

1808. Then that remuneration was made avowedly by the Company, in consequence of the loss sustained by the traders in opium in China?—Yes.

1809. Sir *G. Grey.*] What was the distinction made between Singapore and China?—It was owing to some of the sales; but when this paper is put in you will see the whole of the distinctions stated.

1810. Mr. *Hogg.*] Do you mean to say that the Bengal Government returned part of the price, simply upon the allegation that the merchants had sustained a loss, unaccompanied by any other reason?—I never knew any other reason than that.

1811. Are you not aware that the express reason of that return was that the opium sold was of a very inferior quality from what it had been stated to be at the period of sale, and the Bengal Government thought it right to return part of the purchase-money to the merchants under the circumstances?—That is another transaction; there were two returns. That was some years before what I was speaking of.

1812. Can you put in the papers connected with the return of 1836, by the East India Company?—I think I can.

1813. Mr. *Colquhoun.*] You stated on the former day that you would give the Committee the reason why the house of which you are a member did not sign the address to Lord Palmerston, which was signed by the foreign merchants at Canton?—I have referred to the letter, and the reason they assign is that they thought it was quite irrelevant, opening up questions and vindicating things that required no vindication; that it was useless, in fact. It goes on to vindicate the opium trade, which they thought did not require vindication, considering that the case might be left to its own merits.

1814. Is that the only reason they assign?—Yes.

1815. Did they participate in the feelings expressed in that address?—They give no opinion upon that.

1816. Then their not participating in those feelings might have been another reason why they refused to sign it?—It might have been, but they do not assign that; I speak of the letter, as I saw it, in which they assign their reasons.

1817. Mr. *Hogg.*] You stated, in the early part of your evidence to-day, that an express was sent to order back part of the opium on board of the ships that were in the act of delivering opium on the coast; were those ships so stationed at the time that Captain Elliot's requisition was issued?—They had gone away a long time before the requisition was issued; they were on the coast.

1818. Then at the time that Captain Elliot's requisition was issued, those vessels with this opium were not at Lintin, but were at a great distance on the coast, and beyond the possible reach of any Chinese authority?—Yes, they were.

1819. Then what possible object could there be in calling upon the proprietors of that opium to deliver it up to the Chinese authorities; or how could it be considered as within the control of the Chinese authorities?—I do not know; you must refer to Captain Elliot; he is the only person who knows; I only state the circumstances as they occurred, that these ships came down after part of the opium had been delivered; they began the delivery with the vessels that were on the spot. Captain Elliot demanded a list from every one of all the opium they had; and when the list was put into his hands, it was pointed out to him, "These are the quantities which the vessels had on board at the time the last letters came from them; whatever has been sold in the meantime will be deficient, and therefore if you are going to turn this to any account with the Chinese government, you must make allowance for that." He paid no attention to that, but just put down the list as it had been given in, and handed it to the Commissioner.

1820. Was not it understood that Captain Elliot limited his requisition to the opium in the factories within the Bocca Tigris, or on board the ships lying at Lintin?—No, there was none in the factories, and not much at Lintin.

1821. Then what was understood among the merchants as regulating Captain Elliot in issuing his requisition?—I cannot answer that question.

1822. Sir *George Grey.*] Did not the Chinese require the surrender of all the opium belonging to the foreign community at Canton, or within the power of that foreign community?—I believe they did; all that belonged to them, or that they had control over.

1823. Was not Captain Elliot's requisition co-extensive with the demand on the part of the Chinese?—I suppose, but I do not know, that Captain Elliot's requisition was made on the same terms in which the Chinese had made their requisition to him.

1824. Did not Captain Elliot require the different members of the foreign community to deliver to him a statement of the quantity of opium coming within that description?—Yes, I have just stated that.

1825. And that comprised the opium which was in course of delivery, because that opium, on the statement of the parties themselves, was subject to their control?—Yes.

1826. *Chairman.*] Was any large proportion of the opium surrendered in the ships on the coast?—A very considerable proportion; but that will be proved if the claims are ever examined. The claims are made so as to distinguish between that which had been sent to the coast for delivery and that which was at Lintin.

1827. Mr. *Hogg.*] How much of the opium delivered up do you suppose to have been on board the ships on the coast in the act of delivering it there?—I suppose there must have been, at the time I speak of, about 3,000 to 4,000 chests on the coast.

1828. On board vessels lying there?—Yes, for delivery.

1829. And in the act of delivery?—Yes; there were generally from 12 to 18, and sometimes 20 vessels on the coast.

1830. The opium you now speak of was on board those vessels at the time of your departure?—Yes.

1831. And forms part of the opium delivered up?—Yes.

1832. Mr. *Elliot.*] Did the members of your own house at Canton refuse to deliver up the opium when demanded by Captain Elliot?—I believe they remonstrated with Captain Elliot against giving it up, saying, that they had amongst them given up 1,030 chests, which they called their own property, to the Hong merchants, to prevent their losing their heads, as they said. They said they had given that in as the quantity which belonged to themselves, and over which they had control, and that they would give in no more as it was not theirs, but belonged

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to their constituents; but that if he demanded it for the benefit of Her Majesty's Government, they wanted to know how they were to be remunerated if they gave it up to Her Majesty's Government.

1833. When Captain Elliot explained to them the terms upon which he required them to give it up, did they refuse to give it up?—No, they then gave it up.

1834. Do you know whether anybody else refused to give it up?—I think there were one or two of the smaller holders that refused. Those that were in Macao refused *in toto*, because they were not in prison, and they never have given it up.

1835. *Chairman.*] Have you any reason to believe that your partners in China would have submitted to almost any personal inconvenience rather than have given it up, either to the Chinese or to the British authorities, without payment?—They say so very distinctly in their correspondence, that nothing would have induced them to give it up to the Chinese.

1836. With regard to the account given in by your house to Captain Elliot of the opium under their control, was it distinctly pointed out to Captain Elliot that a portion of that which was on the coast might have been sold since the period of the last advices from the ships?—Yes, positively.

1837. And then, with that knowledge before him, Captain Elliot still gave in the full amount set down in those accounts?—Yes.

1838. Was any of that opium sold subsequently to the return of the ships?—The only sale that was made was by Captain Jauncey, which I stated before, of a few chests at Namo, on his way down.

1839. Was that the reason of part of the deficiency which Captain Elliot afterwards provided for by purchase?—No; that was a matter of 10 or 12 chests; the deficiency amounted to hundreds, which we made up by purchasing; Captain Elliot had great difficulty in getting it, and we made up the deficiency, although we had told him that it would be deficient.

1840. That deficiency occurred from sales on the coast between the period of the last advices sent from the ships and the period of the delivery of the opium?—Yes, advices about a month before; he was also told that one vessel was under orders, with all her opium, for Singapore, and that she might have sailed before the order reached her.

1841. Was Captain Elliot told that part of the opium on board the ships was actually known to be sold, though not then delivered?—That I do not know.

James Malcolmson, Esq. called in; and Examined.

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1842. *Chairman.*] YOU are a partner in the house of Forbes, Forbes & Co.?—I am.

1843. You are agents in London for a large portion of the Parsee merchants in Bombay?—For Parsee and Hindoo merchants in Bombay and Canton.

1844. Principally in Bombay?—Principally in Bombay.

1845. Your knowledge of the Parsee merchants in Bombay is very extensive?—It is very considerable.

1846. Can you speak from your knowledge of the effect produced upon those people in Bombay by the withdrawal or the withholding of such a large amount of funds as were represented by the opium belonging to them seized in China?—The effect has been very serious upon the commercial interests of Bombay generally.

1847. And more particularly upon those persons engaged in the opium trade?—Particularly upon persons engaged in the internal trade of the country, as well in the article of opium as in all other articles.

1848. Its effect upon the trade of the district has been general?—It has.

1849. And very severe?—Very severe indeed; and to show that, I may mention, that soon after the matter in China took place, there was no such thing as taking any native bills in Bombay; indeed large shipments of specie round to Calcutta were made, a thing hardly known before.

1850. Have there been any failures among the Parsees?—Not to any extent; but great forbearance is the cause of failures not having taken place.

1851. Upon what was that forbearance founded?—Mutual forbearance between creditor and debtor.

1852. Was that forbearance founded upon any expectation that the British Government would ultimately pay?—Upon a very confident expectation that the time would come when all would be right, by the British Government paying the indemnity.

1853. Was there much disappointment experienced at Bombay, upon the first refusal of the government to acknowledge the bills drawn from China?—As far as I am advised, very great indeed.

1854. Do you believe that those merchants relied with great confidence upon the validity of those documents?—With every confidence.

1855. They looked at it as an engagement of the British functionary, and they felt, no doubt, that it would be respected by the Government at home?—In all the letters that I have seen from the parties interested, in the first instance, there is not a doubt expressed of the fulfilment of the pledge.

1856. You are one of the gentlemen who signed a petition to the House of Commons, referred to this Committee, presented on the 24th of March?—I am.

1857. You there state that you are agents of a great number of persons; a certain number of them are at Calcutta?—The greater number are at Bombay, and the rest are in Calcutta and in Canton.

1858. Is the effect produced upon those people in Calcutta as great as in Bombay?—Not so great as at Bombay, I think.

1859. Is the class engaged in the trade at Bombay poorer?—It is more distributed, I think, at Bombay; many of the parties interested for very small amounts; many of them being very moderate capitalists; and I do not think that is so much the case at Calcutta.

1860. Do you think that many of those persons, who have experienced loss at Canton, have been able to continue the trade, and to avail themselves of the high prices which have subsequently prevailed in China?—I apprehend that the opium that has since gone on to China has been principally from Bengal. On looking to the exports from Bombay, during the whole 10 months that have elapsed since, the amount is very small comparatively.

1861. Then you think that, as far as Bombay goes, those who were engaged in the opium trade previously, and who sustained a loss when the opium was given up to Captain Elliot, have had no compensation for their loss by subsequent profits in the trade?—Not to any extent.

1862. Sir *G. Grey.*] You think the exports from Bombay have very much diminished?—They have.

1863. What has become of the opium which had been brought down to Bombay for the purpose of exportation?—It lies at Bombay now; that is one of the causes of the difficulties that have occurred.

1864. You state that there was a general expectation that the time would come when all would be right; did that expectation continue after it was known that the British Government had refused to liquidate the claim?—Not so general.

1865. But there was still an expectation that in time all would be right?—That is the tone of the letters I have received.

1866. Still continued?—Still continued.

1867. Mr. *E. Buller.*] How do they expect that all will be made right; that it will be made right by an immediate payment from the British Government, or by compensation exacted from the Chinese?—I presume, in the first instance, it must come from the British Government; and that seems to be the impression, as far as my letters go. The expectation arose in this way; the refusal of the British Government was before Parliament met; then it was held out that when Parliament met something would be done; consequently the expectation continued that when Parliament met something would be done, and that from whatever source the money would ultimately come, it would first come from this Government.

1868. That forbearance which you spoke of as being the reason why bankruptcies were not very extensive in Bombay still continues, in the anticipation of receiving the amount with the sanction of Parliament, though the Government had refused it?—To a very great extent.

1869. Supposing it to be refused by Parliament, do you anticipate that that forbearance will immediately cease?—I look upon the most disastrous consequences as likely to take place to the commercial body of that part of India, indeed of all parts of India interested in the opium, and also the produce of India generally, if something is not done.

1870. Will not the forbearance you have spoken of still continue in anticipation of compensation being obtained from the Chinese?—I am not aware that the parties expect the compensation to come from the Chinese; but that it must come through the British Government.

1871. Sir *G. Grey.*] Do you think the forbearance would continue if it were

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distinctly understood that the British Government were prepared to enforce compensation from the Chinese, and to pay it over to the parties injured?—I think if the British Government would give a pledge that they would enforce it from the Chinese, that would to a certain extent be equivalent to a pledge of payment.

1872. Mr. *E. Buller.*] In that case you would not anticipate those disastrous consequences to which you have referred?—Certainly not in the same degree.

1873. *Chairman.*] Would not that in some degree depend upon the time at which the payment would be likely to be made?—No doubt it would, because forbearance would only go to a certain extent.

1874. Mr. *Gladstone.*] Is it not the habit of the Chinese to make their payments with extreme tardiness?—I answered the question under an impression that the British Government would insist upon the Chinese paying, and consequently that would take it out of the ordinary course of payment between Chinese merchants and British merchants.

1875. And also under the impression that the British Government would require immediate payment of the whole sum?—Yes.

1876. *Chairman.*] In the usual course of trade between Bombay and China, do not the returns come with great promptness generally?—They do.

1877. Mr. *Brownrigg.*] In the petition presented by your own house, you state that you are agents to a number of natives of India; was it intended to convey the opinion that all those natives were proprietors of the opium that had been given up?—Certainly it was.

1878. The whole of those are, more or less, proprietors of the opium?—The whole of them are, more or less, from one chest upwards, proprietors of the opium; they are the parties for whom, when the compensation becomes payable, our house will have to receive the money.

1879. *Chairman.*] In the petition you presented you say, "That the beforementioned native merchants of India, who have been thus so seriously affected by the acts of the Chinese government and the British Superintendent, possess no other knowledge of the laws of England than the orders of the British authorities, and have paid implicit obedience to such orders, in entire faith and confidence in the British Government." Have you reason to believe that there is not a sufficient degree of education amongst those people to acquaint themselves with the English law, and that their only means of judging of it is through the orders issued by the public authorities with whom they are in communication?—There is sufficient education among those parties to acquire the knowledge, but the natives generally have not the opportunity of referring immediately to the laws; and in such a case as this it has been, I believe, a matter of great pains, even in this country, to refer to all the points bearing upon the question. The native merchants are in the habit of considering it the affair of the Government or the authorities to interpret the law, and they enter into no inquiry whether it is the law or not.

1880. Amongst the Parsee population in Bombay education is rapidly extending?—It is.

1881. Are they not a very valuable class of people, and, as regards trade in India, of vast importance to the prosperity of the country?—Certainly; they are most enterprising merchants.

1882. Advancing in education, in wealth, and in influence?—Certainly.

1883. Is there anything else connected with this subject that you wish to state to the Committee?—Nothing further than that the parties are many of them pressing anxiously for some declaration by the Government at home, that compensation will be given in some shape or other, otherwise they all contemplate the consequences as most alarming. Two parties mentioned in one of the recent letters have already committed suicide in consequence of the disappointment from this country.

1884. Mr. *Clay.*] You are referring now to your own correspondents?—Yes.

1885. Have any of those parties engaged in the opium trade since the surrender of the opium to Captain Elliot?—I have heard some of them have.

1886. You have no doubt that some of those parties to whom your house has been agent have since engaged in the trade?—To a small extent.

1887. Mr. *Gladstone.*] Are you aware of the answer that has been given by Lord John Russell in the House of Commons, to a question put by the Chairman of this Committee?—Yes.

1888. Do you think the declaration contained in that answer with respect to

compensation is likely to allay the fears of parties interested in the opium claims, and to produce a continuance of that forbearance respecting which you have been questioned?—It will have that tendency; but I think at this late period they will look for something more definite.

1889. *Chairman.*] You mean that however strong that answer might have been, the merchants of Bombay would require something more precise and more distinct, in order to justify them in forbearing from calling up their debts from their debtors?—Certainly at this period. I have one or two letters here, which state very forcibly the feeling of some of the parties. This is a letter dated the 30th of May 1839, from a Parsee merchant of eminence at Bombay, largely interested in opium.

1890. One of the parties named in the petition?—Yes. "The pledge given by Captain Elliot is most full and unreserved; and when we look to the immense stake at issue, and the loss that must have fallen upon England had the general trade been stopped, we think the course he has pursued is the most judicious one he could have selected. Had not the opium been surrendered for the service of Her Majesty's Government, the whole trade would have been stopped, and perhaps the life of every foreigner in China endangered, which must have led to a fearful encounter with the Chinese nation, and the loss to England of the immense revenues derived from tea, which form a most important item in the assets of the country. Our agents, as British subjects, merely obeyed the orders of Her Majesty's Superintendent, and were not by fear or compulsion induced to the surrender of our property, which was not in jeopardy, and could not have been seized by the Chinese, guarded as it was by the armed Lintin fleet, which was quite equal to its protection. The question now rests between the two governments of England and China; and it is for the former to determine what course to pursue for the recovery of the property surrendered by Her Majesty's representative, whose pledge we should consider must be binding, as else all faith in the Government will be at an end. Our property has been peaceably surrendered for the service of our Sovereign, on the unreserved and full pledge of Her Majesty's Superintendent, that the full value should be repaid to us; and, in our opinion, it now only remains to hasten forward the settlement of these uncontested claims. And, on this point, we turn to you and your friendly regard for us, with confidence, as we feel assured that you will unceasingly exert yourselves and put in motion every engine that may lead to the desired success. The delay is the only thing we have to fear, and this we do certainly dread when we look around us, and see how long it takes even to arrange the simplest matter connected with government; but against the benumbing influence that prevails in all matters connected with India, we must most earnestly solicit that you will produce a counteraction, and by constant and repeated appeals, urge upon the authorities the importance to India of a speedy settlement. We have no doubt that an effort will be made to vitiate our just claims, on the plea that the opium trade was a contraband trade, and therefore not entitled to the protection of England; but this argument, if brought forward, is at once answered by the fact of the whole question of opium, and the Company's monopoly of it, on the Bengal side, having been the subject of inquiry by a Parliamentary Committee at the time of the renewal of the Charter, and that it was with the fullest information before them that the Parliament of England sanctioned a continuance of the said monopoly, and a consequent encouragement of the opium trade. The Honourable Company have derived an immense revenue from the trade which we and others have carried on in opium, and upon every principle of equity we are entitled to the fullest protection from the Government which has sanctioned such a gain by means so well known and so fully understood. Had the British Parliament disallowed the continuance to the Company of the opium monopoly, and branded its name as contraband and immoral, then the question would have been materially altered, and every man would have traded on his own risk; but by the course pursued, a pledge was given which must be fulfilled, and which we and all others are entitled to reckon upon without a shadow of a doubt. We rest upon the honour and integrity of the British Government."

1891. Have you a number of other letters, containing expressions to the same effect, from various other parties?—Yes.

1892. Sir *George Grey.*] Are the other representations you hold in your hand to the same effect?—Very much to the same effect. There is one letter, dated the 4th of October, after the doubt had got out of the government confirming the pledge here: "The poor natives are not to be blamed for having traded in opium;

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but the East India Company, who have, in every way, fostered the trade, and have and now are drawing an immense revenue from the same. You will be surprised when we tell you, that, notwithstanding all that has occurred, yesterday's Government gazette contained the usual annual proclamation for the granting of passes for the Malwa opium; and we learn from Calcutta, that the Supreme Government intend to bring forward 15,000 chests of Patna, and 7,500 chests of Benares opium, now ready in their godowns, and that none of the opium agencies are to be discontinued. We enclose, for your perusal, an extract from a letter on this subject: 'The Indian government have taken no steps whatever to check the sale or growth of the drug, but continue to draw immense profits from a trade that they pretend to call contraband. Is it honourable, is it dignified, for a government to foster a trade that is contraband, and by which their subjects will ultimately be ruined? If the Home Government wish, there will be no difficulty in putting an entire stop to the trade, and thereby relieve the poor natives, who easily fall into so seducing, but, at the same time, most dangerous trade. Does it not appear ridiculous that, on the one hand, Captain Elliot delivers up 20,000 chests, while, on the other, the Indian governments are bringing forward, for sale, upwards of 40,000 chests more?'" There is a great deal more to the same effect.

1893. Is that letter written by one of the parties for whom you act?—It is from one of the Parsees.

1894. Mr. *Hogg.*] That letter, you say, was written on the 4th of October. When this letter was written, had the notice reached Bombay, that those orders drawn by Captain Elliot, on the British Government, had been partially repudiated?—I do not think they had, but they were most probably in possession of information to lead them to anticipate a refusal.

1895. At the time that letter was written, is it not your belief, from the communication you had from your correspondents, that the general feeling at Bombay was, that the British Government would not honour those bills?—Certainly it was.

1896. Sir *G. Grey.*] On what was that expectation, that the British Government would not honour those bills, founded?—In October I think they must have been in possession of advices from this country, informing them that their correspondents here doubted an immediate confirmation of Captain Elliot's act.

1897. Previous to any correspondence with the Treasury upon the subject?—Certainly; long previously to any correspondence with the Treasury.

1898. Mr. *C. Buller.*] What is the date of Mr. Gordon's letter?—The letter to Mr. Gordon was on the 7th of November, and the answer on the 11th of November.

1899. Sir *G. Grey.*] Have you had any recent communications from Bombay upon this subject?—Yes.

1900. Since the preparation for the armament against China?—Yes.

1901. Do they speak of this general forbearance to which you have referred as likely to last only a short time, or as still continuing, in expectation of the result of that armament?—The forbearance will not last to an indefinite period; it will every day be getting more circumscribed.

1902. Are the Committee to understand you as representing the desire entertained by your correspondents at Bombay, to be for a distinct assurance on the part of the Government of ultimate payment?—Certainly, as stated in this letter: "Bombay, 29 January 1840.—If your good nation does not come forward and openly give some assurance for the opium indemnity you may depend that many respectable men will put an end to their lives. We have already seen two instances, and many more will occur in the interior, as men of high spirit and ancient family cannot bear the disgrace of appealing to the insolvent law. We are ourselves confident that Government will ultimately redeem the pledge of their own officer, but what will be the use when the mischief is done?"

1903. They would prefer immediate payment, but what they ask for is a distinct assurance of ultimate payment?—They ask for immediate payment, but now that they have been disappointed in getting that, it would be a great boon to get a declaration of ultimate payment.

1904. What they are looking for now is a distinct assurance to the same effect as the answer which was referred to just now by a Member of this Committee, as given by Lord John Russell in the House of Commons?—Yes, something definite; that the claims arising out of Captain Elliot's guarantee will be fulfilled.

1905. Will be fulfilled within a reasonable period?—Yes.

1906. Mr. *E. Buller.*] Would you have a distinction between claims of the merchants,

merchants, arising out of Captain Elliot's guarantee and the claims of the merchants, independently of the guarantee?—The claims of the merchants arise from Captain Elliot's guarantee.

1907. The answer given in the House of Commons by Lord John Russell, in which he states the intention of the expedition to China as being to demand compensation for the merchants, would not arise out of Captain Elliot's guarantee, but out of the wrong that had been done to them by the Chinese government?—The merchants consider that they hold the pledge of the representative of the British Government, and upon that they have relied throughout.

1908. They want a recognition of this pledge?—Yes.

1909. They do not want a mere engagement on the part of the Government that compensation shall be awarded for the wrongs they have received from the Chinese?—If they get a pledge from the British Government that Captain Elliot's guarantee will be fulfilled, they do not go further.

1910. They want an acknowledgment of the validity of Captain Elliot's engagement?—Yes, and ultimate compensation.

1911. Sir *George Grey.*] They want, in fact, the value of the opium which was surrendered?—They want an acknowledgment that the British Government will carry out the order which Captain Elliot issued on the 27th of March, in which the value of the opium was to be matter for future settlement.

1912. What they want is, that the value of the opium surrendered should be ascertained, and that when ascertained, that value should be paid to the individual owners of the opium?—Yes.

1913. *Chairman.*] You were understood to state, that some immediate settlement was, according to the statement of your correspondents, necessary to prevent great calamities in Bombay?—Undoubtedly.

1914. Sir *George Grey.*] Some immediate settlement, or some immediate promise of settlement?—Some immediate settlement, if possible; but some immediate promise would no doubt go a great way to lessen the distress.

1915. Since the correspondence with the Treasury has become known to them, do they look for immediate payment?—They urge immediate payment; but I fear that their hopes of immediate payment were damped by that correspondence.

1916. In the last communication you have received from Bombay, dated at the beginning of this year, is not the promise of future payment what is distinctly looked for, and pressed upon your consideration?—Undoubtedly.

1917. Mr. *Brownrigg.*] Your meaning is this: that every person engaged in trade who has suffered a heavy loss from the withdrawal of property, if he could get immediate payment for it, of course his difficulties would be relieved at once; but next to that is the promise of some ulterior payment, because he would be enabled upon that promise, which his creditors would give faith to, either to obtain their further forbearance or to maintain his credit?—Exactly.

1918. If immediate payment could not be made, a promise that would be relied upon by himself and his creditors would have the effect of relieving him from embarrassment?—For a time.

1919. Sir *George Grey.*] Has any of what was termed opium scrip found its way to Bombay?—Opium scrip I understand to mean Captain Elliot's certificates. A great number of them found their way to Bombay.

1920. Were they negotiated?—Not at Bombay.

1921. Was any attempt made to negotiate them?—Not at Bombay; there was at Calcutta.

1922. Was there any judicial decision at Calcutta upon the validity of them?—They were sold at about 35 *l.* a chest, being about one-fourth of the price at which Captain Elliot bought the remainder of the opium in China.

1923. Did the validity of that scrip ever come before a court of law in Calcutta?—I do not think that was the question on the trial alluded to; the question was the responsibility of the guarantee for the China agent.

1924. *Chairman.*] Is there anything more you wish to state?—I would wish to read an extract from a letter of the 23d of May 1839, before they knew anything of the refusal of this Government. "Idle people say that opium is prohibited goods to carry to China for sale; but in the time of renewing the charter the Houses of Parliament ordered several Committees to take evidence and inquire respecting the India affairs, and, among other things, they have inquired into the opium monopoly; and also Home Government know this drug is to be carried to China and sold there, and not taking any notice, and allowing to give East India Com-

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pany privilege to continue and make annually more than one and a half millions sterling. If the Government had taken notice, and disallowed the system, this thing would not have occurred." And the same writer, in showing the anxiety of the Bengal Government to increase the trade, alludes to a sample of opium having been put up in order to send to China to suit the taste of the Chinese better than it had hitherto done.

1925. Mr. *Hogg*.] These letters are from claimants to whom part of the opium belonged?—They are.

1926. Mr. *Elliot*.] Can you state why it was that none of the opium scrip could be negotiated at Bombay?—I think it was only attempted at Calcutta, where there is a much more extensive market for these sort of things than at Bombay; the thing was tried at Calcutta; it is referred to in the letter I have received merely as a curiosity; the sale was not attempted to any extent.

1927. Were not funds very much wanted at Bombay by the persons holding the scrip?—Funds were very much wanted latterly; not in the first instance; they fully relied upon it that the money would be paid, and the remittances made; and all our letters direct us to remit the money immediately.

1928. You are not aware that any attempt was made to dispose of the opium scrip?—I am not aware of any.

1929. Mr. *E. Buller*.] It appears to be generally admitted by the writers of these letters which you have read, that if the trade had been decidedly and avowedly a contraband trade, the parties would then have had no claim for compensation?—I do not apprehend that these letters go exactly to that, because the claim is founded upon Captain Elliot's engagement; but then they would not have the strong case that they have, if it had been decidedly understood to be a contraband trade in India as well as China.

1930. Those extracts which you have read appear to make the admission that if they had been engaged in a contraband trade, they would then have had no claim for compensation; is that, in your opinion, a just conclusion?—Certainly, if there had been no positive engagement by Captain Elliot.

1931. But with that engagement on the part of Captain Elliot, do you conceive that if the trade had been a decidedly contraband trade they would have had that claim?—I conceive the parties would not waive the positive engagement of Captain Elliot, whatever the origin of the trade might be; but the object of these letters is to point out the facts that strengthen their claim upon the Government for the fulfilment of that pledge.

The following Extracts from the Canton General Price Current of Tuesday, 8th of May 1838, referred to in Mr. Inglis's Evidence of the 11th of May 1840, were delivered in and read, as follows:—

DELIVERIES of OPIUM at *Lintin*, from 1 April 1837 to 1 April 1838. In March 11 previous Months. Total to 1st April.

—	Chests.	Price.	Value in Dollars.	Chests.	Value in Dollars.	Chests.	Value in Dollars.	Stock, 1st April.
Patna (old)	485	480	232,800	4,847	3,091,320	-	-	1,151
— (new)	197	430	84,710			-	-	1,628
Benares (old)	257	385	98,945	1,318½	811,809	-	-	422
— (new)	90	385	34,650			-	-	76
Malwa (old) — (new)	861¼	390	335,790	13,875¼	6,980,028	-	-	1,730
TOTAL	1,890¼	-	786,895	20,040¾	10,883,157	21,931	11,670,052	5,007

"*Opium*.—On the arrival of the three vessels from Calcutta, the prices of Patna and Benares gave way a little; but the departure of the judge for Pekin has produced a sudden demand for upwards of 100 chests, which, added to some speculators having oversold, and being obliged to purchase, has suddenly produced a brisk demand, to supply which sales have been made at various prices from 430 a' 465 for Patna, and 415 a' 440 for Benares. The old drug and Malwa have experienced little change."

Lunæ, 1° *die Junii*, 1840.

MEMBERS PRESENT.

Mr. Brownrigg.	Mr. Herbert.
Mr. Charles Buller.	Mr. Hogg.
Mr. Edward Buller.	Mr. Parker.
Mr. Clay.	Lord Sandon.
Mr. Colquhoun.	Sir William Somerville.
Mr. W. Gladstone.	Sir George Staunton.
Sir George Grey.	Mr. John Abel Smith.

JOHN ABEL SMITH, ESQ. IN THE CHAIR.

THE following extract from "The Monthly Review of the Calcutta Market," of 31st August 1837, referred to in the evidence of William Jardine, esq. was delivered in, and read:— 1 June 1840.

OPIUM.

The opium question, in regard to the bonus offered by Government, has occasioned some very animated debates during the month amongst our mercantile community. A general meeting was held on the 16th instant, which was followed by another at the Chamber of Commerce. The following is the final notification of the Board of Customs.

Opium. Notification.

The following rules and conditions under which adjustments will be made with the shippers of opium, purchased at the January, February, March, and June sales of 1837, are published for the information of parties concerned.

1. Shippers to China of opium, purchased at the sales of January, February, and March, 1837, if the ship left the port before the 1st of August last, will receive at the rate of 140 Company's rupees per chest.

2. Upon opium of the June sale, shipped in vessels which left this port before the 1st of August, nothing will be paid.

3. Upon opium of the sales of January, February, and March, 1837, shipped from this port to any port of the Straits or Eastern Archipelago, before the 1st May last, nothing will now be paid; but if it shall be hereafter proved by the production of bills of lading and other evidence, to the satisfaction of the Board of Customs, Salt and Opium, that any part of this opium has been sent on from Singapore, Malacca, or Penang to China, before the 1st June 1837, then the shippers thereof at such port will receive the same amount per chest as all other shippers of opium of said sales to China, viz. at the rate of 140 rupees per chest.

4. Shippers of opium of the sales of January, February, and March, 1837, to the settlements in the Straits, on vessels which left this port after the 1st May last, and before the 1st August last, will receive the same amount per chest as shippers to China, viz. 140 rupees on each chest of the said first three sales of the year 1837, but no payment will be made upon opium of the June sales, as already provided in the second of these conditions.

5. Payment of the amount per chest as above allotted, will in each instance be made by the Board of Customs, Salt and Opium, to the actual shippers from this port, or from Singapore, Penang, and Malacca, as the case may be.

6. The Board of Customs, on being satisfied as to the actual shippers of any lots or chests, will grant to him an order on the general treasury for the amount payable under these rules, taking a receipt specifying that the party receives the amount on behalf of all parties concerned or interested in the said lots or chests. The order of the Board on the general treasury may, at the option of the holder, be cashed or paid in satisfaction of any demand of Government.

It is further notified,

7. That the public sale price per chest of all opium purchased at the sales of 1837, which was cleared or left this port after the 31st July last, will be adjusted, with the following abatements:

On opium of the January, February, and March sales, 300 rupees per chest will be remitted from the price of such chest.

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On opium of the June sale, 150 rupees per chest will be remitted from the price of such chest.

8. On all opium paid for, but not shipped, between the 31st July and the 26th instant, the amount allowed in abatement as above, will be refunded to the party producing in this office the pass or order upon the opium godown-keeper for the delivery of such opium; and prior to its being returned to such party, the re-adjustment of the price, and the amount refunded, will be notified on the pass.

9. On all opium paid for and shipped between the 31st July and the 26th instant, the amount allowed in abatement will be refunded to the shipper, and a receipt taken as in the sixth condition.

10. On opium neither shipped nor cleared before the 26th instant, the amount allowed in abatement will be remitted from the price at the time of payment being made in full, and orders for the delivery of the opium being taken from this office.

It is further notified,

11. That the opium of the sale of February 1837 remaining unpaid for on the 14th of September next will be re-sold, on account of Government, on the following day, the deposits being previously forfeited.

12. That the opium of the sale of March 1837 remaining unpaid for on the 14th October next will be re-sold, on account of Government, on Monday the 16th of October, the deposits being previously forfeited.

13. That the opium of the sale of June 1837 remaining unpaid for on the 30th of November next will be sold on the 1st of December, the deposits being previously forfeited.

By order of the Board of Customs, Salt and Opium, the 28th of August 1837,

S. G. Palmer, Acting Secretary.

James Malcolmson, Esq. called in; and further Examined.

J. Malcolmson, Esq.

1932. *Chairman.*] WHEN you were last examined before the Committee, you put in various letters from persons connected with the opium trade, detailing the distress experienced at Bombay, in consequence of the seizure in China; have you any other letters, from persons not interested in the trade, to put in, or any further explanation to offer, as to the effects produced by the circumstances that took place in China?—In consequence of a remark having been made, at my last examination, that the letters I read were from parties interested, I have looked through the correspondence of our friends and agents at Bombay and at Calcutta, neither of the houses being interested in opium, and I perceive throughout one general feeling of apprehension of the consequences on trade generally should the indemnity for the opium not be fulfilled, or an early promise given that it would be fulfilled, and one general feeling, particularly on the Bombay side, that there would be difficulty in getting the cotton crops to market, arising from the want of the usual advances, the parties following that trade being principally natives, and not able, from having been deprived of their capital, to make the usual advances; and to show that very strongly, I took out the amount of cotton brought down to Bombay in the year 1839, from the 1st of January to the 29th of March 1839, and compared it with the three months of 1840, and the difference is very marked. From the 1st of January to the 29th of March 1839, there were 36,000 candies, or about 72,000 bales of cotton brought down to Bombay. From the 1st of January to the 22d of March, which is the last day of this present year, to which the accounts come down, the amount was only 9,900 candies, or about 20,000 bales, being about one-fourth the quantity in the previous year, and this is one cause why prices at Bombay have kept up, to the surprise of all those connected with the trade, the quantity brought down being so extremely small.

1933. Mr. *Colquhoun.*] Is that in any way to be accounted for by the crop having failed?—The crop is considered to be a very abundant one. This information comes from houses in no way interested in the opium; for although our house here represents the owners of upwards of 5,000 chests of opium, our European friends in India are in no way interested in it.

1934. *Chairman.*] The expectation of a low price of cotton during the spring at Bombay has been almost universal?—It has been universal in this country.

1935. And that expectation has been counteracted by the small quantities brought down from the interior in the absence of the advances usually made by the native merchants at Bombay?—It has.

1936. Have you any other letters that you wish to bring before the Committee?—I have given the substance of a variety of letters, extending from June last year

to

to the latest dates; and although the subject is not so strongly put from Calcutta, it is still frequently alluded to in the letters from thence; but the trade of Bengal in many other articles being so much more extensive, it is not felt so much at Calcutta as at Bombay, where the native merchants interested in opium are generally the same as those interested in cotton.

1937. Do you know whether, in the case of the export of opium from Calcutta, it is very often on Bombay account?—Very frequently.

1938. In fact, the Bombay merchants are the principal dealers in opium?—The Bombay native merchants of late years have been large operators in Calcutta as well as at Bombay.

Ardaseer Cursetjee, Esq., called in; and Examined.

1939. *Chairman.*] ARE you a Parsee gentleman of Bombay, upon a visit to this country for scientific objects connected with steam navigation in India?—Yes.

1940. Are you wholly unconnected with trade yourself?—Entirely unconnected.

1941. Is your family also, to a great degree, unconnected with trade?—My own family is entirely unconnected with the opium trade.

1942. Are any of them merchants?—Some of them are merchants.

1943. But you know various persons who are connected with the opium trade?—I do.

1944. And you know the great extent to which the opium trade is carried on at Bombay?—Yes.

1945. When did you leave Bombay?—On the 13th of September last.

1946. Had the news of the seizure of the opium by the Chinese or the surrender of it by Captain Elliot reached Bombay before you left?—Yes.

1947. What was the effect when the first intelligence of that event reached Bombay?—They seemed in great distress in the first instance, and then afterwards they made a petition to this Government, and they were in very sanguine hopes that they might be remunerated.

1948. Their confidence was very great that the Government would confirm the act of Captain Elliot?—Yes.

1949. Have you heard since you left what was the effect which the intelligence produced that the Government had refused at first to pay?—No, I have not myself heard about it, because we are not connected with opium, and they do not give us any extensive accounts about the opium trade.

1950. Do you know what has been the effect produced at Bombay upon the mercantile public by their disappointment in getting payment from the Government as they expected?—I do not know anything since I left Bombay.

1951. Have you heard anything of the distress produced amongst certain individuals?—The only thing I heard was, that certain friends of ours had been dead on account of the opium.

1952. You refer to a gentleman who destroyed himself?—Yes.

1953. And your letters state that that was produced by his disappointment?—Not by this disappointment, but by some disappointment about the opium trade.

1954. You do not think it was the disappointment of not receiving his money from the British Government?—I do not know.

1955. Mr. *Brownrigg.*] Are you a native of Bombay?—Yes.

1956. Have you resided there for many years?—Yes, I was born at Bombay, and have resided all my lifetime at Bombay.

1957. Of course you have an intimate knowledge of the general feelings of the native subjects of the British Government, upon any great political measure that might occur?—Yes.

1958. Are you of opinion that in consequence of the refusal on the part of the Government in England, to confirm the engagement of Captain Elliot, the character of the British Government for good faith, which has been so well established in India, will be materially affected?—I should think so.

1959. The natives of India, generally, are accustomed to rely with implicit confidence upon the fulfilment of any pledge given by any public officer?—Certainly, they always do so.

1960. And a refusal in this instance, would tend to shake their faith in that respect?—It is natural that it should.

 1961. *Chairman.*]

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1961. *Chairman.*] Do you know anything of the course of the opium trade, and the system of advances made at Bombay, to persons in the interior, or the details of the mode in which it is carried on?—I never knew anything particularly upon the subject.

1962. You have no personal knowledge upon the subject?—I have no personal knowledge about it.

1963. Have you any reason to know that the large sums locked up in China after the surrender of the opium seriously embarrassed some of the principal Parsee merchants at Bombay?—Yes.

1964. Have you any reason to doubt, supposing that money is not repaid to them, that ultimate ruin must be the consequence to many families?—Yes, ruin must be the consequence to many families.

1965. Mr. *Parker.*] Would not that ruin have taken place equally if the Chinese government had seized the opium without paying for it?—I do not think the merchants would have allowed the Chinese to seize it; but certainly this opium was delivered with the particular idea that they had some person to look to.

1966. Supposing the Chinese government had seized the opium without paying for it, would not the loss have been equally great to the people who sent it from India?—It would have been equally great.

1967. Sir *William Somerville.*] You know nothing about these transactions, any further than from what you have read in the public papers?—Exactly.

1968. *Chairman.*] Your information is wholly limited to the consequences produced at Bombay by the surrender of that large quantity of property at Canton?—Yes.

1969. Sir *W. Somerville.*] Did you ever hear the slightest doubt expressed at Bombay about Captain Elliot's power?—Not to the best of my knowledge. When first this news came that Captain Elliot held himself a guarantee, everybody was very much rejoiced, and they thought themselves quite safe.

1970. They considered he had full power to act as he did?—Yes.

1971. Was the general impression that he was acting under instructions from his Government, or upon his own responsibility?—They always understood, so far as I know, that he acted by authority of his Government.

1972. In demanding this opium?—Yes.

1973. *Chairman.*] Was not there a very considerable desire on the part of all parties in Bombay to show great indulgence to persons whose property was so locked up in China, under the confident belief that they would ultimately have the means of fulfilling their engagements when they received the money from the English Government?—Yes.

1974. And there was no general apprehension that the Government could disavow, or would disavow, Captain Elliot's act?—Not when we first heard of it.

1975. Mr. *Parker.*] When were the circumstances first known at Bombay?—Not till I left; we heard all the news from China, but not from this Government.

1976. Sir *W. Somerville.*] It was not known then that the Government had refused to confirm the act of Captain Elliot?—No.

1977. Mr. *Parker.*] Was it known that the merchants at Canton were put under restraint?—Yes.

1978. *Chairman.*] Do you happen to have heard whether the ordinary operations in other branches of trade have been interfered with by the locking up of so much capital?—It would interfere with a good many branches of trade in consequence of the large amount of money locked up.

1979. Have you heard anything of the cotton trade at Bombay during this spring?—No, I have not heard anything about the cotton trade.

1980. Is a large proportion of the trading transactions at Bombay carried on by Parsees?—Yes.

1981. They are the principal persons engaged in trade?—They are the principal merchants.

1982. Mr. *Parker.*] Are the parties in India who carry on the trade aware that it is a trade not recognised by the Chinese government?—I think most of them are not aware of those things, because a good many of those who are connected with those things are petty merchants, and they are not much educated.

1983. *Chairman.*] They only look to the sanction of the government under which

which they live?—I cannot tell their feeling exactly, because I have never had an opportunity of talking upon this subject with them.

1984. Was it considered a legal trade as far as the Indian government went?—Most of them understood that it was a legal trade, because we never had an interruption previous to this occurrence.

1985. There was nobody there who doubted that the Indian government under which they lived allowed the trade?—I do not know, I am sure.

1986. You are aware that the Indian government raised a large revenue upon the export of opium from Bombay?—Yes, the government has got some duty, I believe, upon the opium.

1987. Sir *W. Somerville.*] What were the general current ideas in Bombay with regard to the restrictions imposed by the Chinese upon this opium; was it generally understood to be a contraband transaction?—They must have been aware of it, because they never allowed the opium to be shipped on board the East India Company's vessels, to the best of my knowledge, and they never allowed them to take it to Canton; they were always obliged to tranship the opium into the receiving ships before they went into the Chinese waters.

1988. Then it was entirely carried on in private bottoms?—I suppose so.

1989. And it was notorious that the trade was an illicit trade in China?—I should think not.

1990. Do you think that some engaged in it under the idea that it was a legal traffic?—That may be; because most of the merchants, from high to low, are connected with opium, and many people's impression was, I have no doubt, that the trade was legal.

1991. What was your own opinion?—I was always of opinion that it was not legal.

1992. And there were a number of merchants at Bombay under the same impression?—Yes.

1993. Mr. *E. Buller.*] And, knowing it to be illegal, they were aware that it must be liable to greater risks than a legal trade?—I never conversed upon this subject, and, therefore, I could not take upon myself to answer that question.

1994. Sir *William Somerville.*] The trade in opium is generally considered to be carried on under a great risk?—Yes, I think so.

1995. Consequently the profits were upon many occasions proportionably large?—Yes.

1996. *Chairman.*] Do you think it was considered generally, in Bombay, that it was attended with greater risk than an ordinary trade must always have attending it?—To the best of my knowledge they never had a thought of any danger, or any serious effect upon their mind regarding the trade; but they used to understand that it is not a legal trade.

1997. You mean in China?—In China.

1998. But it was a legal trade in India?—As far as I can see.

1999. You believe that to have been the general impression?—Yes; but I know that some of them were aware that they never used to allow it on board the East India Company's ships, and therefore, of course, some persons must have been aware that there was something wrong.

2000. A great number of Parsees have engaged in the trade to a small extent?—Yes.

2001. Sir *W. Somerville.*] Is opium never exported from Bombay to any other part, except to Canton?—To Canton and Macao, and those places in China.

2002. *Chairman.*] Does not it go occasionally to Singapore and to the Straits?—Yes.

2003. Sir *W. Somerville.*] Is opium never exported in vessels connected with the East India Company?—So far as I know, it is not. They do not take it to sell at Singapore, but sometimes they tranship it to go to China.

2004. Even that is carried on in private merchant ships?—Yes.

2005. It is an understood thing that the opium that goes to Singapore is to be forwarded afterwards to Canton or to Macao?—I believe it is.

2006. *Chairman.*] Does it always follow so?—It always follows that it is to go to Canton.

2007. Is there any large consumption of opium in the Straits?—Some Chinese junks come into the Straits and buy some opium.

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2008. Sir *W. Somerville.*] Even at the time before the trade was opened it was not customary for the East India Company's ships to be engaged in the opium trade?—Exactly so; and since the new charter, there are no East India Company's ships.

2009. *Chairman.*] It was a legal trade at Singapore, was it not?—I do not know.

2010. Mr. *E. Buller.*] Was any considerable portion of the opium consumed in India?—Not any considerable part in India.

2011. Do not the Mahomedans in India consume it to a considerable extent?—No, the inhabitants of Malwa, I believe, use a quantity of opium, but it is no comparison with what goes to China.

2012. Is a considerable quantity consumed in India?—I should think not a very considerable quantity, but some quantity is used in India.

2013. Is it commonly used by the Mahomedans in India?—It is not the Mahomedans, it is another caste we call the Malwaree, who generally use opium.

2014. Are the Malwarees generally Mahomedans or Hindoos?—They are a kind of Bengalese, not exactly Mahomedans and not exactly Hindoos; something between.

2015. But the Hindoos, and particularly those of high caste, do not use opium?—Some of the princes in the different countries do use opium, I believe.

2016. Then there is no religious restriction upon the use of opium?—No, the restriction by the Hindoos religion is upon spirits and liquors, but not upon opium or tobacco.

2017. And that is the case whether they belong to the Mahomedan or to any other religion?—I do not know that opium has been forbidden by any religion.

2018. *Chairman.*] With regard to that unfortunate suicide of your friend in Bombay, your letters state that it was produced by his losses in opium?—By his losses in opium; he was a respectable man, and the person that had lent him money, demanded it in a very sharp manner, and he had not the means to fulfil it immediately.

2019. He was a man of proud and high mind?—He was a man of proud mind; a high-minded man.

2020. And he did not like the disgrace attendant upon the failure of his engagements?—No.

2021. Do you think that the want of power to fulfil their engagements which may be caused by the withholding of this money, will produce a very deep effect upon the Parsees in Bombay?—I should think it will produce an effect upon persons of every nation engaged in trade.

2022. They would feel the disgrace of failing in their engagements very deeply?—I think they would.

2023. Sir *G. Staunton.*] Do you know any instance of opium being seized by the Chinese government previously to the late transactions?—I believe they did so.

2024. Are there any instances of opium having been seized previously to this?—Yes.

2025. Where was it seized?—At some place near Canton; what we call a smuggling-boat comes alongside the English vessel, and carries away the opium, and generally a Chinese boat was watching them, and when they came in contact they used to seize them.

2026. They seized the opium in the Chinese boats?—Yes.

2027. Not from any European vessel?—Yes, they seized it in a European vessel, if they were aware that the European ship possessed any opium, in their own waters.

2028. Did the loss fall upon the seller of the opium?—It depended upon whether they insured the opium.

Alexander Matheson, Esq., called in; and Examined.

2029. *Chairman.*] ARE you a partner in the house of Jardine, Matheson & Company?—Yes.

2030. When did you go to Canton first?—I went to Canton in December 1826.

2031. Have you resided there ever since, till you quitted?—With a short absence.

2032. When did you quit China?—On the 25th of June 1839.

2033. You quitted Canton previously to that?—I left Canton on the 12th of March 1839.

2034. Was Commissioner Lin then in Canton?—It turned out that he was, but I was not aware of it; he arrived in Canton on the 10th of March, but his being there was not generally known.

2035. He was daily expected?—He was known to be in the neighbourhood of Canton; some people said that he was in Canton, but we were not quite sure of it.

2036. What was the reason of your quitting Canton at that particular moment?—I was sent down by the house in order to be ready to send away the opium ships in the event of its being judged expedient after Lin's arrival.

2037. Had you any consultation with the Hong merchants upon the subject of sending the ships away?—Yes, we consulted with one of the Hong merchants, with Mowqua, the second Hong merchant, upon the subject, whether we should send away the opium ships before he arrived, or after he arrived. The Hong merchants said that they did not themselves know what measures he intended adopting with regard to the opium trade, and that it would be better to wait till he was actually in Canton, at the same time that one of us ought to be on the spot ready to act at a moment's notice.

2038. Did they consider it a possible case that he was coming down to legalize the trade?—They could not tell what his intentions were; some said that he was coming down to legalize the trade; others said that he was coming down to put a stop to it, if possible; no person seemed to know precisely what his orders were.

2039. What was the belief of your own house?—The Viceroy, previous to his coming down, was very rigid in his endeavours to put down the trade; and it was feared that a rebellion would be the consequence about Canton, in consequence of the strict measures which had been adopted. We fancied that the intention was first of all to inquire into the measures which the Viceroy had been carrying on, and afterwards to act with regard to the opium trade as he saw most expedient.

2040. You thought that the course of future events was one of great doubt and uncertainty?—That Lin would first make inquiry, and afterwards act on the facts which he discovered; that he would make up his mind what ought to be done after inquiry.

2041. How soon after your arrival at Macao did Lin's edict appear?—Lin's edict was published on the 18th of March, and I had it at Macao on the 21st of March.

2042. Did your house send you any orders in consequence of the publication of that edict?—Yes; orders accompanied the edict to send away the ships immediately.

2043. Did you act upon that order?—I sent away two ships, one with 1,400 chests of opium, and another with about 1,000. I sent away about 2,400 chests in the course of a few days.

2044. Where did you send them to?—I sent them with orders to cruize between certain latitudes in the China seas for a month.

2045. Quite out of the Chinese jurisdiction?—Beyond the reach of the Chinese jurisdiction; two or three hundred miles from Canton.

2046. Did those ships actually go?—Yes.

2047. Did you take any measures with regard to any others?—Yes; we had about 3,000 chests in one ship, and as we could not insure so large a quantity in one ship, we were in the act of transshipping about half that quantity to another, and the intention was to send both those ships away as soon as the transhipment was completed.

2048. Where to?—To Singapore.

2049. When

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2049. When the opium was surrendered by Captain Elliot, were fresh orders sent you by your house?—Yes; they stated that in compliance with Captain Elliot's order they had surrendered the whole of the opium to him, and that it would be necessary to recal the ships that had been already sent away, and to stop the transhipment that was going forward.

2050. Did you recal those ships that you had sent away?—Yes, I sent another vessel to recal them.

2051. Did that vessel find them cruizing?—She found one of them. The other came back, after being out a month, according to the previous understanding; she came back to a distant point on the Chinese coast, where there were letters waiting for her.

2052. That opium formed part of the opium surrendered by Captain Elliot?—Yes, the whole of it.

2053. When given up by you, it was entirely not only out of the immediate reach of the Chinese, but beyond the limits of any pretended control of the Chinese authorities?—Out of the Chinese waters altogether; 100 miles away from China.

2054. Had the Portuguese at Macao any opium?—Yes, a considerable quantity.

2055. Do you know how much?—I should think about 1,800 to 2,000 chests.

2056. What did they do with that opium?—They sent it away to Manilla.

2057. Did they ever surrender any?—Not a chest.

2058. Mr. *Herbert.*] Were they ever asked to do so?—They were asked to do so, but they declared they had none; that they had sent it all away, and they gave their bond not to admit any more into Macao.

2059. *Chairman.*] Do you know what was done with that opium afterwards?—It was sold on the east coast of China.

2060. At a very large profit?—Yes.

2061. Do you know personally that it was so?—I do; some of it was sold before I left China.

2062. Mr. *Hogg.*] Were those ships of yours with the opium which you spoke of cruizing about, or were they delivering opium?—Cruising about; they brought back every chest that went out in them.

2063. Had you any ships employed at the time on the coast of China?—A great many.

2064. In the act of delivering?—Yes.

2065. And those ships were also called back?—They were.

2066. And the residue that remained in them formed part of the 20,000 chests?—Yes.

2067. *Chairman.*] Was there not some opium belonging to your house sold between the period of the return given in by your house to Captain Elliot of the quantity of opium under your control, and the moment when it was actually surrendered?—Yes.

2068. And you made up the quantity sold during the interval?—Yes, we made it up.

2069. Sir *G. Grey.*] You said that the opium sent away was removed altogether from within the control of the Chinese; is it your impression that the opium which was at Lintin in the receiving ships was within the control of the Chinese?—No, they could not get it.

2070. Was there any substantial difference between the opium at Lintin and the opium sent away, so far as it might be affected by any control to be exercised by the Chinese?—There was no substantial difference. The Chinese could exercise no control over either; but the foreigners themselves could no longer control the opium sent away.

2071. Did the Chinese claim a jurisdiction in the one case which they disavowed in the other, or did they equally disavow the claim of jurisdiction in both cases?—I cannot tell what passed between the Chinese and Captain Elliot.

2072. Was it the general impression of the foreign community that the opium at Lintin was liable to seizure, and that the opium at a distance was not?—I do not conceive that the opium at Lintin was liable to seizure on board British vessels.

2073. Then the only difference that it made was, that it was removed out of the knowledge of the Chinese, and that they could not demand its surrender, because they did not know of its existence?—They did not know where it was.

2074. Did

2074. Did not it remain equally subject to the control of your house after it was sent away?—No; my house agreed in the first instance to give up a small quantity of opium. The Canton community agreed to give up 1,037 chests.

2075. Did not this opium sent away by your direction from Lintin remain subject to the orders and control of your house?—No, it was subject to my orders.

2076. As a partner in the house?—No, to me individually. The moment that they agreed to surrender 275 chests they sent an express to each of the captains requesting that they would hold all the opium less those 275 chests to my order, and not attend to any order which they might afterwards give for any part of it.

2077. What was the quantity of opium comprised in the return made by your house to Captain Elliot, as being the opium within the control of your house?—From seven to eight thousand chests.

2078. Did that exclude or include the opium which had been sent away by your directions?—It included the whole.

2079. Mr. *Hogg.*] What was the object of placing it individually under your control?—In order that no compulsory measures of the Chinese should force the partners then in Canton to deliver any more opium.

2080. Were you not yourself resident in Canton?—No, I was at Macao.

2081. Sir *George Grey.*] The apprehension of your house was, that some means of coercion might be resorted to as affecting the persons of those members of your firm who were at Canton, and the object of placing it under your control was, that you being absent from Canton, they might be able to say that the opium was no longer subject to their control?—Yes, and those who surrendered the 1,037 chests agreed, in the event of its being accepted, to abstain in future from further trading in opium.

2082. But, in point of fact, the resident members of your firm at Canton did include, in their return, the opium so sent away; they did not feel themselves justified, owing to its being under your sole direction, to withhold it from the return given in of opium of which the Chinese demanded the surrender?—No. When they came to treat with Captain Elliot, they conceived themselves bound to obey any order which Captain Elliot might issue, but they did not conceive themselves bound to obey the order of the Chinese.

2083. *Chairman.*] In the first instance, it was placed under your control, as a means of evasion, to escape from the compulsion of the Chinese authorities, but in treating with Captain Elliot you felt yourself bound to give up the whole?—In giving up the opium to Captain Elliot, the orders drawn upon the captains were sent enclosed to me, and it rested with me to obey the orders.

2084. Sir *G. Grey.*] Was not the requisition upon Captain Elliot founded upon a demand previously made by the Chinese authorities for the surrender of the opium?—I do not know what passed between the Chinese government and Captain Elliot. In the first edict of the 18th of March, they required all the opium to be surrendered under the control of foreign merchants at Canton.

2085. Was not Captain Elliot's requisition co-extensive with the demand on the part of the Chinese?—Yes.

2086. Was not the demand for the surrender of the opium under the control of the British firms resident at Canton?—Yes.

2087. If this distinction existed with regard to the opium placed under your control, and existed owing to a settled purpose, on the part of the firm, to evade the surrender to the Chinese, why did not your firm at Canton make that distinction themselves, and state to Captain Elliot that only a portion of this opium was within their control, and that the rest had been placed beyond it?—I was a member of the firm myself.

2088. But the opium which had been sent away no longer remained subject to the control of the firm?—Except with my sanction. I could obey or disobey the order of the firm as I chose.

2089. Then, in point of fact, the resident members of your firm at Canton, did not consider themselves justified in making an exception of the opium sent away, inasmuch as they knew that it substantially remained within their control?—Yes; in acting with the British Government.

2090. *Chairman.*] In the first case, it was a studied evasion, in order to avoid

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any compulsory attempt of the Chinese to get the opium, and in the other case you felt bound to act with perfect good faith, and as you could deliver it up, you felt bound to deliver it?—Yes.

2091. Mr. *Clay.*] If a certain amount of coercion had been exercised towards your partners at Canton, that would have induced you to give up the opium, although you had not their permission?—I do not know how that might have been; I was not put to the test.

2092. Sir *G. Grey.*] You were left to the exercise of your own discretion as to the circumstances that might arise?—Yes.

2093. You said that one ship that was sent away was ordered to return in a limited time?—She was ordered to anchor in a certain bay a month after the date of her departure, and to receive fresh orders; there were fresh orders waiting for her at a certain point.

2094. *Chairman.*] Do you know what that point was?—Taitam Bay, just at the mouth of Canton River.

2095. Sir *G. Grey.*] The object of her returning was to ascertain whether a change of circumstances had taken place, which might render it safe to offer that opium for sale?—Precisely; or in the event of no change taking place, to send it to Singapore or to Manilla.

2096. *Chairman.*] When did you leave Macao on your route home?—On the 25th of June.

2097. Did you come through Bombay?—Yes.

2098. Are you well acquainted with the details of the opium trade as carried on at Bombay?—Yes.

2099. A large proportion of the opium exported to China is on account of the merchants at Bombay?—Yes, a large proportion of it.

2100. Is a large proportion of the Bengal opium also exported on account of merchants at Bombay?—Yes, a large proportion.

2101. Is there as much as a third?—I should say nearly a third; certainly a fourth of it.

2102. Of course the news of what had occurred in China with regard to the surrender of the opium had arrived in Bombay before you reached it?—It had.

2103. What was the effect of that intelligence?—It produced a great deal of pecuniary distress; there had been two or three failures previous to my arrival in Bombay.

2104. Did that affect all classes, or only the small houses. Were any of those that were previously possessed of ample means and credit, affected as well as the little people?—Yes.

2105. Do you know of any specific instances of distress produced?—Yes; I know several where parties owed sums of money, and their creditors were abstaining for a time from pressing for payment of those sums, under the expectation that they would be relieved, by compensation being paid.

2106. Was there any apprehension or doubt expressed in Bombay as to the readiness of the British Government to fulfil Captain Elliot's engagement?—The natives were very sanguine of being paid; they had little or no doubt of it at first.

2107. The news of the conduct of the British Government in refusing to pay those certificates had not reached Bombay when you quitted it?—Before I quitted Bombay, the news had reached that applications had been made to the Treasury, but that no answer had been given.

2108. That a doubt was expressed as to the payment?—That doubts were expressed in letters from this country whether the British Government would pay or would not pay.

2109. Did that produce much alarm and consternation?—Yes, it did; the natives, however, were very sanguine of the payment; they said that they had never known a case in which the British Government or the East India Company had disavowed the acts of their servants; that they always placed the most implicit reliance upon the word of the Government servants, or the Company's servants, and they could not believe that such a thing was possible as the Government disavowing the acts of their servants.

2110. Mr. *Herbert.*] Who held that language?—The principal natives of Bombay.

2111. But the scrip went down at the same time?—I am not aware that there was any sale of scrip at Bombay.

2112. Sir *G. Grey.*] What was the date of those letters to India, which had conveyed the impression to which you have adverted?—I think they must have been dated in August.

2113. Are you confident that they stated that application had been then made to the Treasury for payment, or was it merely the impression of merchants here, that when the claim was made, it would not be followed by payment?—I am not confident upon that point; but I read some of the letters, which expressed a doubt, at all events, as to the immediate payment of the scrip.

2114. Of what date?—The end of July or the beginning of August.

2115. That was three months before the formal application to the Treasury?—Yes.

2116. *Chairman.*] Was the general trade of Bombay much deranged by the capital of those merchants being locked up?—Very much indeed.

2117. Was there any effect produced upon the sale of British manufactured goods?—Yes, the sales have diminished considerably.

2118. You do not know the relative quantities?—No, I cannot state the relative quantities.

2119. Do you know whether the cotton export trade from Bombay was affected also?—The export trade to China was affected very considerably.

2120. Is not the system of the cotton trade at Bombay this, that persons in the interior receiving advances upon their cotton goods, send them down to merchants in Bombay?—Sometimes contracts are made; but I believe a large portion of cotton is purchased by the exporters after its arrival in Bombay.

2121. To enable persons to bring it to Bombay, are there not advances made?—There used to be large advances made upon opium; I am not so well acquainted with the cotton trade.

2122. Mr. *E. Buller.*] You are yourself a partner in Jardine's house?—I am.

2123. There is another gentleman of your name at Canton?—There is.

2124. What house is he a partner in?—In Jardine's. He is now the head of Jardine's house in China.

2125. Is he a relation of yours?—He is an uncle of mine.

2126. He was present during the whole of those transactions at Canton?—Yes.

2127. Do you know whether he was consulted by Captain Elliot at that time?—No, he was not consulted by him.

2128. Certainly not?—Certainly not.

2129. Supposing it should have been stated by any witness before this Committee that he was consulted, you are convinced that that is a mistake?—He received communications from Captain Elliot; but I am not aware that Captain Elliot asked advice from any party.

2130. You had letters, subsequently, from Mr. Matheson?—Yes; I am quite positive that he was not consulted by Captain Elliot.

2131. Sir *George Staunton.*] You stated that when Commissioner Lin arrived, you proposed to send away the ships from Lintin, but that the Hong merchants recommended you not to do so?—They said it would be better to wait and see what course Lin adopted. They said they could not be sure whether Lin would prefer reporting to the Emperor that he found no ships there, or that he himself had driven them all away.

2132. Therefore they recommended you to wait?—Yes; and promised to give us the earliest possible notice of what they considered the best mode for us to adopt, either to send the ships away or wait, and give Lin the credit of having driven them away after he arrived.

2133. A few months before the Hong merchants had urged you to send them away?—They urged us to remove them from one anchorage to another.

2134. After the edict of the Viceroy in January, the Hong merchants recommended you to send them away?—To send them to another point.

2135. But when Commissioner Lin arrived they rather recommended you to wait?—This was before they knew of his arrival, when he was daily expected.

2136. You proposed, as matter of security, to send them away?—Yes; we

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asked their advice whether it was better to send them away before Lin came to Canton, or to wait and to let Lin have the credit of driving them away, as they express it.

2137. And they gave you to believe that it was for your interest that they should remain?—Yes.

2138. You stated that there was no certainty what Commissioner Lin's objects were in coming to Canton?—Yes.

2139. Was there any rumour or expectation prevailing that he came for the purpose of taking possession of the opium by detaining the British community?—None whatever, or nobody would have remained in Canton; nothing of the kind was ever dreamed of; it was totally unlooked for.

2140. *Chairman.*] As far as your experience goes, is the conduct pursued by Lin wholly at variance with anything that had previously occurred?—There is no precedent for it as far as my experience goes.

2141. Reverting again to Bombay, was there a general spirit of forbearance exercised on the part of creditors towards their debtors?—Yes.

2142. Was that based upon the expectation of their being able to pay?—Of their being able to meet their engagements after they received compensation from the British Government.

2143. Have you heard whether the subsequent knowledge of the course taken by the British Government has affected that at all?—It has curtailed it no doubt, but there are instances where forbearance was exercised up to the very last date, towards some parties, but other parties have been very much distressed; one or two people have committed suicide in consequence of their distresses.

2144. Sir *George Grey.*] When did those acts of suicide take place?—They took place either at the end of December or the beginning of January; I think in January.

2145. *Chairman.*] Was it on the first arrival of the certain knowledge that the Government refused to pay?—It was on the receipt of Mr. Gordon's letter in Bombay.

2146. Is the principal part of the trade from Bombay to China carried on by Parsees?—A great part of it. There are other rich natives besides the Parsees; there are Hindoos engaged in the China trade.

2147. The Parsee merchants are a very influential and respectable body of men?—Yes.

2148. It is upon them principally that this loss will fall?—Yes.

2149. And their destruction would very greatly interfere with the future course of trade in Bombay?—Very materially.

2150. Mr. *E. Buller.*] You do not remember the dates of those two suicides?—Not the precise dates.

2151. Can you take upon yourself to say that they took place immediately upon the receipt of Mr. Gordon's letter in Bombay?—Yes.

2152. Within a few days after?—I cannot say how many days, but I dare say I could ascertain by reference to letters. I think Mr. Gordon's letter went out from this country about the 15th of November. I met it myself, at Lisbon, at the end of November; and it would be in Bombay about the 1st of January.

2153. *Chairman.*] Though there might be some exceptions, were the large number of persons previously engaged in the opium trade incapacitated by their losses from availing themselves of the subsequent rise in the price of opium in the China seas?—Almost entirely so.

2154. The trade went into new hands?—Yes, a great part of the Malwa opium which has since been sold on the coast of China, was sent by natives in the interior, who were in the habit of bringing it to Bombay, and selling it to Bombay merchants, but finding that there was no market for it in Bombay, some of them sent it on their own account, and realized a good price for it on the coast of China. They were quite a different set from those who formerly sent it.

2155. Do you know what was the lowest point to which opium fell in Bombay?—I cannot say.

2156. But it fell prodigiously on the arrival of the intelligence from China?—Yes, I think it fell to about 300 rupees a chest.

2157. Was

2157. Was there any opium sent away by any other firms than your own out of the reach of the Chinese?—None.

2158. Sir *William Somerville.*] When was it exactly that you sent away the opium?—On the 27th of March I sent it away.

2159. That large quantity which you mentioned?—Yes.

2160. Mr. *Brownrigg.*] When did you hear of the requisition of Captain Elliot?—That is dated the 27th; I received it on the 30th at Macao.

2161. Sir *William Somerville.*] Had you determined to send away the opium before Captain Elliot came up to Canton?—I was ready to send it away before he came up.

2162. Had you made up your mind to send it away before he came up?—No, the day after he came up I had made up my mind to send it away; I saw Captain Elliot the same day that he embarked for Canton; he left Macao on the 22d of March, in the afternoon, and he arrived at Canton on the 24th.

2163. Did you know that he had made up his mind before he left Macao to issue this order to the British merchants?—No; on the contrary, it appears that he had not made up his mind.

2164. Sir *George Grey.*] Had you any conversation with him just as he was embarking for Canton?—No.

2165. You suppose that he was going to act according to the circumstances which he should find existing there?—He told me in the forenoon that he was going to Whampoa, and that it would depend upon what he heard there whether he should proceed to Canton.

2166. Had he then received a letter from Mr. Astell, from Canton, urging his going there?—I do not know; but I had a letter that morning, the contents of which I communicated to him, stating some of the proceedings that were going on in Canton; I had as late accounts from Canton as he could have had at that time.

2167. Sir *William Somerville.*] How long had you been at Macao?—I arrived at Macao on the 15th of March.

2168. Then it was after Commissioner Lin's arrival that you left Canton and came down to Macao?—Yes; I did not know that Commissioner Lin was in Canton when I left, but some said that he was, and some said that he was close in the vicinity of Canton.

2169. Was it in consequence of an opinion in your mind that your opium was in danger that you left Canton to proceed to Macao?—It was in order to be ready to act according to circumstances.

2170. Sir *George Grey.*] Although you did not know that Commissioner Lin was in Canton, you knew that he was in the immediate neighbourhood, and that his authority was paramount there?—Yes.

2171. Sir *William Somerville.*] You did not make up your mind to send away the opium till after Captain Elliot had left Macao?—It did not rest with me, it rested with my partners at Canton; I did not receive their instructions till two days after he had left.

2172. It was in consequence of the instructions that you received from Canton that you sent away this opium?—Yes.

2173. Had Captain Elliot had time to arrive at Canton before those instructions were sent off to you?—No; the instructions I received left Canton on the 22d, and Captain Elliot did not arrive till the 24th.

2174. Commissioner Lin was in Canton when your instructions came?—Yes; and before those instructions were sent to me, the merchants at Canton had agreed to give up 1,037 chests of opium; on the 21st of March they agreed to do that.

2175. Mr. *Gladstone.*] Will you state what quantity of opium there was at Canton at the time that agreement was made?—I do not think there was any.

2176. About what time did you begin to be convinced that the Chinese were in earnest, and meant to take effectual measures for the suppression of the trade?—A very short time before Lin came the Viceroy became exceedingly strict, and his measures were extremely oppressive to the Chinese merchants; he commenced searching their houses.

2177. Can you state at all about how long before Lin came down?—We were always of opinion that Lin's coming down would produce a relaxation instead of making matters worse.

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2178. Was that the general sentiment?—That was our opinion; the natives that were in the habit of buying opium from us told us that matters could not go on as they were; that the people about Canton were getting very dissatisfied with the Viceroy's proceedings, and that it was supposed that when Lin came down and found the state of matters, instead of instituting severer measures against the opium, he would relax the measures that had been instituted.

2179. Do you think that the opium trade was generally popular with the people?—I am satisfied of it.

2180. Had the measures that preceded the arrival of Lin convinced you that the Chinese government were in earnest?—They were very severe indeed in their measures.

2181. What impression did those severe measures convey to your mind with respect to the intentions of the Chinese government?—Judging from our past experience of China, we fancied it would blow over; that they would be severe for a time, and that after making a report to the Emperor they would revert to the old custom.

2182. At the time when a native was executed upon the square of the factory did you think there was any likelihood of the trade being legalized?—Our idea was this, that the government would take every possible means of putting a stop to the trade, and that when they saw that the trade could not be stopped then they would legalize it; our impression was that it was utterly impossible to stop the trade.

2183. You thought it was out of their power to stop it?—Yes.

2184. And that being reduced to the absolute despair of stopping it, they would legalize it as the next best measure?—Yes.

2185. Was it not the impression of your senior partner, some months before the arrival of Lin, that a crisis was approaching?—Yes.

2186. But the rest of the partners of the house did not agree in that?—I confess that I did not agree in it; I thought it very likely that no business would be done for many months; we had not made any sales in Canton for many months before Lin's arrival.

2187. Can you state the causes which led you to believe that it was impossible for the Chinese government to stop the trade?—Because all the officers about Canton, from the highest to the lowest, all smoke opium; and I argued in this way, that if the importation of wine into England was prohibited, I do not fancy that any power in England could stop the importation of wine; that those who could afford to pay a large sum for it, would have it in spite of any government regulation.

2188. Was that the only circumstance, namely, the strong desire of the people for opium, which led you to believe that it was impossible for the Chinese Government to enforce the prohibition?—Unless the people wished for it, of course it would not be imported.

2189. Was there any other circumstance besides the desire of the people for opium that led you to believe that it would be very difficult for the Chinese Government to stop the trade?—I do not recollect any other circumstance at present, except that it was contrary to the interest of the authorities that it should be stopped.

2190. You mean the provincial authorities?—Yes.

2191. Therefore you would mention the corruption of the authorities as another circumstance which tended to make it impossible to stop the trade?—Yes.

2192. Do you think also that the strength of the vessels in which the opium was kept at Canton, and in which the opium was sent along the coast to the eastward, compared with the weakness of the Chinese marine, was a material impediment in the way of the Chinese government?—The strength of the vessels alone would not have enabled foreigners to import opium; if the natives were kept from going on board the vessels, no opium could be imported into China.

2193. Supposing that the Chinese had had a very effective marine, and supposing that the nation carrying on the opium trade had been very little skilled in marine warfare, would not that have afforded some additional facility to the Chinese government in putting a stop to the trade?—The importation would have been less, perhaps, but it would not entirely have put a stop to it. The Chinese who imported opium into the country would have to go further

for

for it; they would have to go a greater distance for it; they would have to go to Manilla or Singapore; but as it would still yield a large profit, it would be imported to a certain extent.

2194. Can you state at what period you consulted with the Hong merchants as to whether it was better to send away the ships?—I think it was the day before I left Canton.

2195. Were the Hong merchants unanimous in giving the advice you have stated?—We did not consult them all; we consulted the second in rank among the Hong merchants, Mowqua.

2196. Was Howqua consulted upon that subject?—No.

2197. Did Howqua give any advice upon the subject?—We would not have consulted Howqua upon the subject.

2198. Was not Howqua the man of greatest experience and sagacity among the Hong merchants?—Yes; but he was not considered the most honest.

2199. Was not he considered as competent to give advice upon that particular subject; was not he considered a competent interpreter of the intentions of the Chinese government?—He was not a party on whose advice we could depend.

2200. Was there any sinister or private interest which would have been likely to bias him?—I do not think that he was any friend to the English at any time; he has always been linked with the Americans, and he has carried on business in partnership with some of them.

2201. Did you anticipate that he would be more likely to give an opinion unfavourable to the trade, and to exaggerate the dangers that were impending?—The weight of any measure proposed by the government would fall upon his shoulders, as being at the head of the Hong merchants, and he would give the advice that would suit his own interests.

2202. Being the most responsible of them all, was not he the most competent to convey to you the real intentions of the government?—If we could believe him; but we considered that he would not tell us the truth, at least that we could not depend upon him.

2203. Supposing the government did not intend any serious measures with respect to the opium trade, would it have been Howqua's interest to pretend that they did?—If Howqua had been a man who upon other occasions stated the truth, we might have found out by his answers; but we could not tell whether he told us the truth or told us a falsehood.

2204. Mr. *Hogg.*] In matters unconnected with opium, where the interest of the merchants was at stake, was Howqua a person whom you would have consulted?—No, not upon business between foreigners and Chinese.

2205. Although it might be unconnected with the question of opium?—Although unconnected with opium, he would have given us an interested answer.

2206. Mr. *Clay.*] You have stated that you believe the opium trade to have been popular in Canton. Are you not aware that the hostility of the mob that had collected round the factory was one of the dangers that was apprehended by the British residents at Canton?—When I spoke of its being popular, I meant among the more intelligent classes; I do not suppose the mob cared anything about it.

2207. Mr. *Gladstone.*] Was Mowqua the person upon whose ability and fidelity you were most accustomed to rely to interpret the intentions of the Chinese government?—Yes.

2208. Is he a man of considerable ability?—He is dead; he was considered a very honest man by foreigners.

2209. Was he a man of considerable property?—Not a man of much property.

2210. Howqua was a man of great property?—Yes.

2211. Howqua was an old man?—Yes, rather old.

2212. And he had been longest a Hong merchant?—Mowqua's father was a Hong merchant; Howqua was, I believe, originally a servant.

2213. Sir *George Grey.*] You have stated that, in your opinion, it was impossible for the Chinese to stop the opium trade; have they in fact stopped it, or does the trade still exist to a great extent upon the coast?—It exists to a great extent upon the coast.

2214. *Chairman.*] In China each house has particular relations with a separate Hong merchant?—Yes.

2215. And Mowqua was the person with whom you were more especially

 connected?

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connected?—We gave each of the merchants a share of our business, but Mowqua was the man we had most confidence in.

2216. Had you much to do with Howqua?—We had a good deal to do with Howqua.

2217. Mr. *Gladstone.*] Did you ever find him otherwise than trustworthy in his transactions?—In business transactions he was perfectly trustworthy, but in political transactions we could not trust him.

2218. *Chairman.*] Was it his general character in Canton that he was not a sincere man, as far as foreigners were concerned?—As far as the English were concerned; he appeared to have always a leaning towards the Americans; he found them more submissive and more easily managed.

2219. Has he not subsequently availed himself of the difficulties of trade in Canton?—Yes; he is understood to have shipped tea largely to England, through the Americans, since the difficulties commenced.

2220. Mr. *Gladstone.*] Not direct in American bottoms?—No, it is shipped in American vessels at Whampoa, and the tea is transhipped afterwards at Hong Kong to British vessels.

2221. Sir *George Staunton.*] Your reason for not consulting Howqua was, that you apprehended that, from his great connexion with the government, the opinion he would give you would not be an opinion for your own interest, but an opinion conformable to the wishes and desires of the Chinese government?—Precisely.

2222. Mr. *Gladstone.*] Have you any means of judging what opinion Howqua would have given?—I cannot tell.

2223. Mr. *Hogg.*] Is it your opinion that Howqua would have honestly communicated to you the real wishes and intentions of the Chinese government, or that he would have made his communication to you in conformity with his own private interest?—He would have made his answer conformable to his own private interest, certainly; he would have tried to make us do what would give himself least trouble, as the middleman between us and the government.

2224. Could you have depended upon him as giving you a fair representation of the wishes and intentions of the Chinese government?—No, we could not.

2225. Mr. *Gladstone.*] Was the Viceroy in the habit of communicating directly with several of the Hong merchants?—He used to have the Hong merchants in his palace sometimes.

2226. Did he communicate with any one of them in particular confidentially, or did he communicate with the body?—He sent for three or four of the senior merchants; he did not communicate with them all upon matters of importance.

2227. But there was no one in particular with whom he communicated confidentially?—He may have communicated sometimes with Howqua confidentially. I do not know, but I have frequently heard of his sending for three or four of the senior merchants, and having a conference with them.

2228. Are you aware that the Hong merchants, from the time when Captain Elliot arrived in Canton, addressed to him frequently urgent entreaties to send away the opium ships, even before the edicts were issued to that effect?—I believe the Hong merchants did.

2229. Do you imagine that they were sincere in their representations?—I fancy they were told by the Viceroy to make those representations.

2230. How then do you account for Mowqua's change of opinion between the period of Captain Elliot's arrival, in 1837, and the month of March 1839, when the measures against the opium trade, instead of relaxing, had become more severe?—I do not suppose there was a change of opinion. His communications to Captain Elliot were official; his communications with us were private, as between one friend and another.

2231. Do you think that when he, in conjunction with his colleagues, urged Captain Elliot to send away the ships, he did it as the mere organ of the Viceroy, and that he did not at all suppose himself that any danger would arise if the ships were not sent away?—Entirely as the organ of the Viceroy.

2232. You think that he did not anticipate any danger from the ships not being sent away?—I think not.

2233. Will you state what means the foreign community possessed of becoming acquainted with the tenor of the Chinese laws affecting foreigners; what was the usual medium through which they were communicated?—We had no means of knowing them except through the Hong merchants.

2234. And also through the edicts which they conveyed to you?—Yes.

2235. Do you know the Chinese laws in any other form than in the form of edicts?—No.

2236. You looked upon an edict therefore as equivalent to law?—We considered that there was no law at all.

2237. But so far as there was any law at all in China, you found that law, and became acquainted with it, in the form of edicts?—Yes; but we never looked upon it as law; we saw it broken every day of our lives by the Chinese themselves.

2238. The question refers not merely to the law respecting opium, but to Chinese law in general; do you think that there was no law at all that was accurately observed?—None at all.

2239. Either relating to opium, or any other subject?—Yes; except the duties, which they took care to collect.

2240. The duties were made known by practice?—Yes.

2241. *Chairman.*] Did not the foreigners apply very often for a copy of the tariff?—We did, and we never could get one.

2242. Mr. *Gladstone.*] But there was a constant promulgation of edicts on various subjects?—There was a set of edicts published regularly every year; the same edicts, almost verbatim, were stuck up against the factories every year, and the very parties that stuck up the edicts laughed at them.

2243. Were all those edicts equally unsubstantial, and never carried into practice?—Yes; by those edicts, no Chinaman, except the linguists and Hong merchants, could come into our houses; but our counting-house was full of Chinese, even on the very days on which the prohibitory edicts were issued.

2244. Sir *G. Staunton.*] Were those imperial edicts?—They were issued by the heads of the Canton government; they were not imperial edicts.

2245. *Chairman.*] Was not there an imperial edict annually put up about servants?—It was issued by the government of Canton; it was not an imperial edict, I believe.

2246. Mr. *Gladstone.*] Was it known in Canton that opium, if found in foreign vessels or boats within the Bocca Tigris, was liable to confiscation?—That might have been the case; I do not know.

2247. Was it known, that if found in the factories, opium would be liable to confiscation, or if found entering the factories?—If found there, there is no doubt of it.

2248. Then how was that known; was it known through any law, or through any edict?—It was understood; I cannot say how it was known. The merchants at Canton never had opium in their factories.

2249. In point of fact, do you mean that you had no formal and legal knowledge of any Chinese laws?—No.

2250. You gathered them, as well as you could, from experience?—We gathered them, as well as we could, from practice.

2251. Do you remember any instance of any edict upon any subject affecting foreigners coming down and being carried into execution?—No, never.

2252. Were you in China in the year 1821, when the depôt was removed to Lintin?—No, that is 19 years ago.

2253. Are you aware whether that was done in consequence of an edict?—I believe it was done by a private understanding with the Canton authorities.

2254. Does law exist in China in any other form than in the form of imperial edicts?—I am not acquainted with the laws of China at all; I do not know the language.

2255. You never heard of any laws being communicated to foreigners, except in the shape of edicts?—Never.

2256. *Chairman.*] Was there not a long continued effort to get the tariff of duties published?—Yes, it has been applied for many times, and we never could get it.

2257. Was that tariff referred to in an imperial edict?—I am not sure; I cannot state at present whether it was or not.

2258. Mr. *Hogg.*] Do you believe that there is in existence such a thing as a tariff?—I believe there is.

2259. Has it ever been privately shown to you by any of the Hong merchants?—No, never; there are a great number of additional charges put on in Canton by the merchants and by the authorities.

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2260. Without the sanction of the Emperor?—I believe without his sanction.

2261. Do you suppose that that is the reason that difficulties have been thrown in the way of your getting a copy of the tariff?—Yes, I believe it is not expedient for them to explain the different items composing it.

2262. Fearing that the tariff so shown to you might be inconsistent with the tariff as established by the imperial edict?—Yes.

2263. Sir *W. Somerville.*] Was there any reason to suppose that Commissioner Lin was coming for the purpose of relaxing the system?—Some of the natives said so.

2264. Did the Hong merchants say anything of that kind?—I class them with the other natives; they did not seem to know precisely what he was coming to do.

2265. Did any of the Hong merchants give you reason to believe that the Commissioner was coming down for the purpose of relaxing the system?—I do not know that I heard any Hong merchant say so, but I have heard several intelligent Chinese say that they thought he was.

2266. *Chairman.*] Basing that opinion upon the discontent of the people produced by the measures of the Viceroy?—Yes; and the apprehension of an insurrection, provided the Viceroy's measures were continued.

2267. Sir *W. Somerville.*] When the advice was given to remove the opium ships, was it accompanied by any sort of hint that it was merely done in obedience to the wishes of the Viceroy, or was it *boná fide* given?—It was mere private advice, not at all coming from the viceroy.

2268. Mr. *Hogg.*] Did you effect your sales of opium through the medium of the Hong merchants?—No, never.

2269. Mr. *Gladstone.*] Are you aware whether it had been a common thing, before the arrival of Captain Elliot, habitually to make representations to the company's supercargoes, desiring that the opium ships might be removed?—That has been done.

2270. Was it done as an ordinary practice, or, when it was done, was it not supposed that some peculiar measures were in contemplation?—No; it was generally done once a year as matter of form.

2271. Was it only done once a year, as matter of form, in the time of Captain Elliot?—I believe so; his own despatches will show.

2272. Mr. *Hogg.*] Were there any leading Chinese merchants at Canton who were publicly and generally known as dealing in opium more extensively than any others?—Yes.

2273. After the issuing of Lin's edict, were those persons dealt with by the Chinese government with any severity?—They disappeared, and were not to be found when Lin came to Canton.

2274. Then the China merchants chiefly implicated in dealing in opium left Canton, and absconded before the arrival of Lin?—Yes, they disappeared.

2275. Sir *G. Staunton.*] Are you aware whether it was stated in any of the edicts what the consequence would be of the ships not leaving Lintin?—Not that I am aware of.

2276. There was no threat of confiscation?—No.

2277. Mr. *Hogg.*] Suppose the Chinese war junks had gone to Lintin, and seized the opium by force, do you consider that those to whom the opium belonged would have had any claim for compensation?—If they had seized the opium, we would have had no claim, certainly.

2278. *Chairman.*] But you think they would have no right to seize it at Lintin?—They would have no right to go on board a foreign vessel and search it.

2279. If it had been seized, you would not have had the claim for compensation that you now have?—It would depend upon how it was seized; I supposed the question meant if it was seized in a Chinese boat.

2280. Mr. *Hogg.*] The question referred to its being seized in a ship; suppose the Chinese war junks had gone to Lintin, and had by force seized opium as contraband, on board a British ship?—I apprehend they have no right whatever to go near our ships at Lintin, only within the Bocca Tigris; they never sent custom-house officers on board the ships outside the Bocca Tigris; their custom-house regulations do not extend beyond the Bocca Tigris.

2281. Is it your opinion that any seizure of opium as contraband by force outside

outside the Bocca Tigris, would have been an act of hostile aggression, and not an enforcement of their own revenue laws?—Yes.

2282. Mr. *Herbert.*] You consider that the seizure of a cargo of opium upon the coast would also have been an act of hostile aggression?—Yes.

2283. Though in the act of delivery?—So long as it was on board a foreign ship they have no right to touch it.

2284. Mr. *Gladstone.*] Do you consider that as the general sentiment of the British community at Canton, that the opium ships lying at Lintin were out of the jurisdiction of the Chinese, and likewise that opium ships on the coast were out of their jurisdiction, even though they might be in the act of delivering the opium into Chinese boats?—I believe it is the general opinion at Canton, that the property of foreigners, so long as it is on board foreign vessels, and so long as it is not in a Chinese port or harbour, is beyond the jurisdiction of the Chinese.

2285. Do you imagine that that is the law that would prevail in this country with respect to French and other vessels that might be engaged in contraband trade upon our coast?—No, I am aware that it is not.

2286. Sir *G. Staunton.*] In point of fact, the Chinese have never exercised that jurisdiction?—No.

2287. Mr. *Gladstone.*] Have they the power to take any one opium vessel; do you believe that all the junks belonging to the Emperor of China could have taken the opium ships at Lintin?—Not all of them at once.

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2294. Mr. *E. Buller.*] Supposing Captain Elliot had explained to the British merchants the illegality of the ships remaining at Lintin with their opium, and supposing the Chinese had prepared to search the ships and to take possession of the opium, and that he had warned them that they were not to resist the Chinese authorities, but that they were bound to obey the Chinese authorities; if in consequence of that representation from Captain Elliot, they had surrendered their opium, would they have had any claim against the British Government for compensation?—In that case the ships would have sailed away. After such a notice as that from Captain Elliot, they would not have remained at Lintin to be searched.

2295. Mr. *Gladstone.*] Do you think the merchants would have retained the opium ships at Lintin if they had not believed that their property was under the protection of the authorities of their country?—They considered themselves certainly under the protection of the British authorities.

2296. Do you think if Captain Elliot had desired them to send the opium ships away from Lintin, and had acquainted them that the British Government could not be responsible for anything that might happen to them while they were remaining there, that in that case they would have sent them away?—Yes; or if they did not send them away, they would have remained at their own risk or peril.

2297. *Chairman.*] In that case, there would have been no claim for compensation?—Not for anything that was seized after a notice of that sort.

2298. Sir *G. Grey.*] When you say, that in the case supposed, the ships would have been sent away, do you mean that the ships would have been sent back to India with the opium in them, or that they would have been sent away from Lintin, to deliver their cargoes along the coast?—I think that, in the first instance at least, they would have been sent to Singapore; the property did not belong to the Canton merchants, and consequently they would have waited the orders of the parties to whom the property belonged.

2299. Was not a good deal of the opium ordinarily disposed of along the coast previously to the stoppage of the trade in the river?—Yes.

2300. Did that come to the receiving ships at Lintin at all?—Yes, it went from them.

2301. On the ships being directed to leave Lintin, why should not you have sent the opium to the ordinary market, to which a great portion of it was in the habit of going, and to which you sent, when you were alarmed by the fear

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of having it seized, a considerable portion of the opium under your control?—I did not send it to be sold; I sent the vessels to cruize 100 miles off the coast.

2302. You were understood to say, that one of those ships had actually delivered a portion of her cargo on the coast?—Not one of those ships.

2303. Mr. *Clay.*] What distance is Lintin from the shore?—Lintin is an island.

2304. What width is the strait that separates Lintin from the main-land?—I suppose about four or five miles.

2305. Is it in that strait that the shipping at Lintin ordinarily lies?—No; it is outside the island altogether. There is a projecting point; the island terminates in a point, and the ships move from one side of the point to the other, according to the quarter from which the wind blows. They seldom anchor in the channel between Lintin and the main-land.

2306. Considering the state of equipment of the opium vessels, do you consider that without the aid of a British ship of war they could have made successful resistance against the Chinese junks, supposing they had been disposed to seize the opium at Lintin?—Yes; the Chinese could not have seized it.

2307. Are you aware that that does not agree with the opinion expressed by Captain Elliot?—I am not aware of that, but if so, I disagree with him.

2308. Sir *G. Grey.*] Your opinion is, that the trading ships might have defended themselves against any force which the Chinese could bring against them?—Unquestionably.

2309. You have stated that the opium trade is now going on along the coast; can you state to what extent the trade has been interfered with by Commissioner Lin's measures; that is to say, whether the quantity of opium actually delivered in China has been materially diminished?—It has been diminished.

2310. To what extent?—I cannot state the extent, but it has been diminished unquestionably; perhaps to the extent of one-third.

2311. You conceive that the ordinary deliveries are one-third less now than they were before Commissioner Lin arrived at Canton?—Yes; fully one-third.

2312. Can you say what proportion of the trade was upon the coast, as compared with that which went on at Lintin?—I suppose three-fourths of the deliveries were at Lintin.

2313. There has been a considerable increase of deliveries upon the coast, though it has not made full compensation for the stoppage of the trade at Lintin?—Yes, considerable.

2314. Sir *George Staunton.*] Do you know how far they go up the coast?—They do not go up very far; the sales are chiefly about Amoy; they seldom go as far as Nang-po.

2315. Sir *George Grey.*] Is it carried on upon the coast with the connivance of the local authorities?—Yes.

2316. *Chairman.*] Have you any doubt, if Captain Elliot had taken the same steps to stop the trade at Lintin as he took to stop the trade in the river, and had issued orders to the European residents, and the foreign community, to give up their trade, that, as regards the English merchants, however onerous they might have thought his orders to be, they would have obeyed them?—I think they would. When he ordered the river trade to be stopped, which was carried on by an inferior class of people, the principal merchants assisted him in putting a stop to it.

2317. And you think they would have taken the same course subsequently if he had issued the same orders with regard to the trade at Lintin?—Yes; without the assistance of the principal merchants he could not have stopped the river trade.

2318. Mr. *E. Buller.*] Were those orders to stop the river trade immediately obeyed?—Almost immediately; there were some people engaged in it who were not British subjects, and those people did not at once obey the order; they did not consider themselves bound to obey Captain Elliot's orders; they were Portuguese.

2319. Do you recollect the date of Captain Elliot's order to suppress that trade?—It was in December, I think; it was either in December 1838, or in January 1839; I recollect it, because I was a member of the Chamber of Commerce, and I was one of the committee who corresponded with him upon the subject.

2320. Do you recollect the time of his going down with the Chinese authorities to Whampoa to put an end to the river trade?—He was at Whampoa for some time.

2321. Did not a considerable interval elapse between his issuing the order for the suppression of the trade, and his going down with the Chinese authorities to Whampoa to put an end to it?—I do not know that he ever went with the Chinese authorities; I do not think he ever acted in concert with them in putting a stop to the trade; he offered his assistance, and the answer he got was, that they did not want his assistance; that if they chose to put a stop to the trade, they would do it in 10 minutes, without his assistance, or without consulting him at all; they treated his offer of assistance with the utmost contempt.

2322. Mr. *Clay*.] After the opium had been made over to you which was under the control of your house, except the small quantity to which you have referred, you considered that you were entitled to act entirely upon your own discretion as to surrendering that opium to the Chinese government?—Yes; I would not have surrendered it to the Chinese government.

2323. Then when the order for the surrender came from Captain Elliot, it was upon your own judgment solely that you acted?—That was a different matter altogether; that was a matter between the representative of our own Government and us. An order came down from the house in Canton, and of course I complied with it.

2324. Without exercising your own judgment upon it?—Yes.

2325. Was any copy of Captain Elliot's order sent to you?—The whole came to me.

2326. Did not that state that he was himself in a state of duresse; that he and all the other foreigners were in a state of great danger?—Yes.

2327. Did not it occur to you that it might be wise to exercise your own judgment as to surrendering the opium under an order which had evidently been issued under coercion?—I felt bound to obey the order.

2328. Should you have felt bound to obey that order, supposing, for instance, that Captain Elliot and the other British residents had been in no danger or coercion?—I would have obeyed Captain Elliot's order as the representative of the British Government. The opium was deposited in our hands to dispose of it, and the money of the British Government was as good as any other money we could get for it.

2329. You considered Captain Elliot as good a customer as any other; but should you have supposed it possible, except under the circumstances of difficulty in which Captain Elliot was placed, that he had power to direct the surrender to himself of the opium under your control?—He was represented to us as sent out to China expressly to manage the foreign trade, and we felt bound to attend to his orders in matters relating to trade.

2330. Will you state on what ground you could have supposed that from the office he held he could have had any power or authority to request from you the surrender of that opium, to be paid for by the British Government, except under circumstances so extraordinary as those in which he was placed?—He had driven the opium trade from Whampoa.

2331. Do you consider, except under the circumstances of extreme danger and difficulty in which you were aware that he was placed, that simply by his mere authority he could have asked for, or that you would have been justified in resigning the opium under your control?—Not without a guarantee for the payment of it. If Captain Elliot had been at perfect liberty, and if he had said to me, "I want all the opium which you have under your control, and if you will give it up to me it shall be justly paid for," I would have given it up to him. He might have had some necessity for it which I was not aware of, and if he guaranteed to me that the British Government would pay me for it, that was enough.

2332. And upon that you would have exercised no discretion?—No.

2333. If six months before the time the requisition was made he had required you to surrender your opium, would you have done so?—Under the guarantee which he gave us at Canton I would.

2334. Then, without any circumstances of difficulty or danger, you would equally have obeyed the requisition?—I should consider that we were bound to obey it.

2335. Would it never have occurred to you to doubt whether any consular

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agent had any such authority?—We did not look upon him exactly like a consular agent; he always represented to us that he had powers and instructions which he was not at liberty to communicate to us.

2336. Do you think that the supercargoes of the East India Company would have had such an authority?—We would have delivered up opium to the supercargoes if they had demanded it, and given us a guarantee to pay for it.

2337. Are you acquainted with the nature of the powers which the supercargoes possessed, and are you not aware that they had no such power?—If they were acting for the East India Company, the East India Company would have held us harmless; they were responsible for the acts of their servants.

2338. Were you not aware that the power they possessed was that of sending ships or individuals away from China, and that that was the limit of their power?—They had the power of confiscation. Under the Company, we were in China by sufferance merely.

2339. Do you mean to say, that apart from all circumstances of difficulty or danger, you would have exercised no judgment upon the power of Captain Elliot to demand from you the surrender of the opium under your control?—On his giving a sufficient document for it, upon which I could afterwards claim from the Government; I would not have surrendered it without a guarantee for payment.

2340. Sir *George Staunton.*] You considered, from your knowledge of Captain Elliot, that he would not have assumed a power which he did not possess?—Certainly not.

2341. Sir *George Grey.*] The circumstances of difficulty and danger in which he appeared to be placed made no alteration in your mind as to the validity of the guarantee?—None in the world.

2342. Mr. *Herbert.*] The circumstances in which the British community were placed made the necessity of giving up the opium still stronger?—Yes.

2343. Sir *George Grey.*] That necessity arose from an apprehension of what the Chinese would do to compel its surrender, if it were not surrendered in the manner demanded by Captain Elliot?—There is no saying what they might have done I was not much afraid of violence being used.

2344. Why did the circumstances of difficulty and danger, in which it appeared that Captain Elliot and the foreign community were placed, render the necessity for the surrender of the opium in your opinion greater?—I would have given up the opium under any circumstances, on receiving a guarantee for the payment of it; but of course the circumstance of Captain Elliot and the other parties being in an unpleasant situation might have some influence, but not any material influence, on my determination.

2345. *Chairman.*] Had you any apprehensions while you were at Macao for the lives or safety of your partners?—I had no fear for their lives; I did think that they would be placed in very uncomfortable circumstances for a time.

2346. Sir *George Grey.*] Do you still retain your opinion, or have subsequent events led you to modify it, that their lives were in no danger?—I do not think the Chinese would have taken the life of any man; if they had taken the life of any, I think it would have been Captain Elliot's.

2347. Mr. *E. Buller.*] Do you think they could have effectually resisted the demand of the Chinese to surrender the opium?—The opium would have been sent away, and what could the Chinese do?

2348. Sir *George Staunton.*] You think that better terms might have been made?—I think that we might have been obliged to surrender 2,000 or 3,000 chests, but not 20,000.

2349. Mr. *E. Buller.*] How could the opium have been sent away when your communication was stopped?—I was ready to send away our proportion, and I was in the act of sending it away.

2350. You sent it to a certain distance, but still it was within the reach of the orders of your house?—No, it was not; not what I sent away.

2351. In point of fact, you brought it back again when you pleased?—I did; but that was my own act.

2352. But you would have been equally obliged to call it back supposing the Chinese had pursued their measures of coercion to such an extent as to make you fear that your partners at Canton were really in danger?—I would not have called it back, unless I saw that their lives were in danger.

2353. It would entirely have depended upon the degree of coercion exercised by the Chinese authorities?—It would.

2354. Mr. *Hogg.*] Supposing Captain Elliot had said, "I cannot, and will not, order the delivery to the Chinese government of any opium, but I will order all the ships to sail away from Lintin;" do you apprehend that in that case the Chinese government would have proceeded to any act of violence towards Captain Elliot himself, or any of the foreigners then resident in Canton?—When we offered to the Hong merchants to deliver up the 1,037 chests, part of the agreement made was that on those 1,037 chests being accepted, the merchants in Canton would abstain from trading in opium for the future, and that all the opium they had then under their control belonging to other parties would be sent back to India; that the ships would sail away with it.

2355. Sir *George Grey.*] Were those terms accepted?—No, they were not accepted.

2356. Mr. *Hogg.*] As far as you are competent to form an opinion from the circumstances at the time, and from the circumstances that have occurred since, do you believe that if Captain Elliot had resolutely refused to order the delivery up of the opium, and had simply said, "I desire the ships to sail away," that in consequence of such refusal the Chinese government would have had recourse to any acts of violence either towards the British residents generally, or Captain Elliot in particular?—I think there would have been a very protracted negotiation, and that it would have terminated in a compromise.

2357. *Chairman.*] You were understood to say, that the Portuguese were called upon at Macao to give up their opium, and that they sent it to Manilla and gave up none. Were there any Portuguese at Canton?—There were some.

2358. Sir *George Grey.*] Owners of opium?—No, they had no opium.

2359. *Chairman.*] Supposing the Chinese had wished to seize the native Portuguese at Canton, and to hold them responsible for the opium at Macao, they might have done so?—They might have done so.

2360. Mr. *Herbert.*] The Portuguese evaded that difficulty by sending their opium away, and you think you might have done the same thing?—We might have done the same thing.

2361. Mr. *Hogg.*] Where was the opium belonging to the Portuguese that they sent away?—Nearly all was on shore at Macao; about two-thirds of it in their warehouses.

2362. Mr. *Clay.*] The power of the Chinese government is as complete at Macao as at Canton?—So far as jurisdiction goes.

2363. Supposing they had chosen to take those people dealing at Macao, would there have been anything to prevent their doing so?—They have not the physical power to do it.

2364. Sir *George Grey.*] An offer to surrender part, and to send away the whole of the rest, was distinctly made to the Chinese authorities, and distinctly refused?—It was made to the Hong merchants, and no answer was returned; we understood that it was not accepted, that the quantity was considered too small.

2365. Was it merely a question of quantity; was it understood that if a larger portion had been offered to be surrendered, it would probably have been accepted?—That was the impression upon my mind, but I am not aware of any general understanding to that effect.

2366. They continued their demand for the surrender of the whole?—Yes.

2367. Mr. *Clay.*] You said that it was supposed that had Captain Elliot declined to interfere, and the Chinese had continued their system of coercion, the matter might have been ended by a compromise; that is to say, on the one hand, by a larger quantity being surrendered by the merchants at Canton than the thousand chests; and by the Chinese, on the other hand, accepting less than the total quantity required?—Yes; and it was understood that those 1,037 chests were to be paid for.

2368. Sir *George Grey.*] Did the offer imply that?—It was understood that it was to be paid for.

2369. Mr. *Clay.*] How does that appear?—It does not appear in any written document.

2370. Sir *W. Somerville.*] At the full price?—There was no price fixed, but the merchants agreed to give up that quantity in order to save the lives of the Hong merchants, which the Hong merchants represented to be in danger. There was

no time for much deliberation on the subject, but it was privately understood that the Hong merchants were to recompense the foreigners for their opium. There was no specific treaty as to the value of it.

2371. Recurring to the possible compromise which you suppose might have been the result of a prolonged negotiation, should you, in that case, having, individually, the entire control of the opium belonging to your house, have been willing to be a party to that compromise by surrendering the opium, or any part of it, under your own immediate control?—Very likely I might; it would depend upon the quantum of advantage resulting from the compromise.

2372. Supposing the result of that negotiation had been that the merchants had agreed to give up one-half of the total quantity required, then in such case, although you were yourself beyond the reach of danger, and although the opium under your control was beyond the reach of the Chinese government, you would not have thought it right to hesitate to give up that portion of your opium which was comprehended within the compromise?—It is impossible to say what I might do under such circumstances; but I would stretch a point of course to meet their wishes, and to bring a business of the sort as speedily as possible to a conclusion; I would go as far as I reasonably could go in carrying a compromise of that sort into effect.

2373. Judging from what you have subsequently seen of the determination of the Chinese authorities, is it your opinion that they would have been satisfied with any quantity short of the whole, having in their power the persons of the British residents in Canton?—I think they would have been satisfied with a compromise short of the whole.

2374. Would it have been a compromise in your judgment, much short of the whole?—Yes, considerably.

2375. Mr. *E. Buller.*] Supposing the Chinese authorities to have been inclined to proceed to extremities, what power of resistance had the British merchants at Canton?—None at all.

2376. Could they have forced their way out?—I think not; some people think they might, but I think not.

2377. Your opinion is, that they were absolutely in the power of the Chinese authorities?—Yes, absolutely.

2378. That there was nothing to prevent their carrying their measures actually to starvation, if they had so thought fit?—Yes; the Chinese had the power of doing so.

2379. Mr. *Hogg.*] Are you rightly understood to say, that it is your opinion, that if Captain Elliot had returned to Macao, and left the merchants and foreigners to manage for themselves, they would have made a much better bargain, and a much more beneficial arrangement for themselves?—Yes, certainly.

2380. Sir *G. Grey.*] Have you seen the memorial addressed by the resident merchants at Canton to Lord Palmerston?—Yes.

2381. Your opinion is essentially different from the opinion of the parties that signed that memorial?—Yes; we did not sign it.

2382. You retain that opinion still?—Yes.

2383. With the exception of your house, did every other house at Canton sign it?—I am not sure; I have not seen it since the signatures have been affixed.

2384. Mr. *E. Buller.*] Do you suppose that the merchants, in the event supposed in the former question, would have acted in a body?—Yes, I think that they would; the Chamber of Commerce would have acted in a body.

2385. Had not one house in particular, some idea of making the best bargain they could for themselves; Dent's house?—I do not know; I was not in communication with them at the time.

2386. Mr. *Hogg.*] Do not you think, that the pressure of a common danger would have united the merchants in one course of action and conduct?—Yes, I do.

2387. Mr. *Brownrigg.*] You stated, in speaking of the authority of Captain Elliot, that you conceived that he would not have given any orders, or taken upon himself any responsibility, which his instructions did not warrant; you would not of course suppose that the Government deputing Captain Elliot, could give him greater powers than they could exercise themselves, and of course you would be aware that the Executive Government in this country could not possibly guarantee the payment of a large sum of that kind, but could only make it conditional upon the

the consent of Parliament?—In a distant part of the world like that, there must be a great deal of discretionary power given to an official person; he must act upon his own responsibility and authority. We had confidence in Captain Elliot, as the representative of the British Government, that he would act rightly; there were no doubts among the foreign community at the time, as to the validity of his guarantee.

2388. Sir *George Grey.*] You felt yourself at liberty to deal with Captain Elliot for a price, but you did not feel bound to surrender the opium without compensation?—Certainly.

2389. Sir *William Somerville.*] If Captain Elliot's proclamation, desiring you to give up the opium, had contained no guarantee for repayment, you would not have delivered it up?—I was not upon the spot myself; but I think that many persons would not have delivered it up.

2390. Supposing a similar order had come from any of your own partners, saying that they were in duresse, and desiring you to give up the opium, would you have done it then?—The opium was put in my power with the object that I might not do it under such circumstances.

2391. Was that the understanding before you left Canton?—No; because it was not known before I left Canton, that Lin was going to adopt the measures which he did adopt.

2392. Sir *George Grey.*] You stated that there was an apprehension, that owing to the measures which were in contemplation, the opium might be in danger, and that on that account you were sent to Lintin to be able to act according to circumstances, upon your own discretion?—Yes; but the opium was not placed at my disposal till after that.

2393. After your arrival at Macao, was the opium placed at your disposal in order that it might be alleged to the Chinese authorities that it was out of the power of the members of your firm at Canton?—The opium was placed at my disposal the day after the firm had agreed to give up their portion of the 1,037 chests.

2394. With the view of removing it ostensibly from their control?—With the view of putting it out of their power to surrender a larger quantity.

2395. If you had heard from your partners at Canton that they were subject to duresse, which they apprehended would endanger their lives, and if you had been satisfied of the truth of that representation, should you have felt yourself still bound to disobey the injunction from them to surrender the opium to Captain Elliot or to the Chinese, even without compensation, for the sake of saving their lives?—It is impossible to say what I might have done under certain circumstances.

2396. Was a discretion vested in you to act according to circumstances, or were you bound beforehand to disobey such an injunction from your partners?—I was left to my own discretion.

2397. And you would have been guided by your belief of the actual state of circumstances at Canton at the moment?—Yes, I would.

2398. *Chairman.*] If you had not felt yourself bound by Captain Elliot's order, you would not have acted upon it?—No.

2399. Mr. *E. Buller.*] Was there anything in your opinion to prevent the Chinese authorities proceeding to those severities, which would have compelled you to surrender the opium, supposing Lin to be a man determined to carry out his views?—There was no power of resistance.

2400. Mr. *Hogg.*] You have stated that the peculiar circumstances did not much influence your opinion as to the validity of the guarantee, and that you considered yourself as obeying the general authority of Captain Elliot. In settling the value of the opium, then, how came you to fix the value at prime cost instead of demanding the market price, which you would have been entitled to do, viewing, as you have stated you did, Captain Elliot as an ordinary purchaser?—The price was not settled at all with Captain Elliot.

2401. Was not the price subsequently settled upon an estimate?—It is not settled up to this hour.

2402. Was there not a meeting of the merchants to fix the price that should be demanded for the opium, and although no price was actually fixed, was not the principle understood to be to demand the prime cost and charges without any profit?—Yes; I recollect an understanding of that sort; the reason of that was

that we could not quote a market price. We had made no sales in Canton five months previously to the surrender of the opium, and we were holding on the property for a change of times.

2403. Mr. *Brownrigg.*] After you went down to Macao on the 12th of March, you had frequent communications with your partners, you said almost up to the time of Captain Elliot's quitting Macao, to go up to Canton?—Yes; I had letters.

2404. Had you any communication with your partners after Captain Elliot went, except the one regarding the delivering up of the opium?—Several.

2405. So that they could communicate with you by letter; the means of communication were not entirely cut off?—No; but they were very small letters; I have got one of their letters in my pocket, which came rolled up inside a cigar, without any address upon it (*producing a very small piece of paper*). I paid 50 dollars for this letter.

2406. Mr. *Hogg.*] What is the date of that letter?—The 27th of March.

2407. That is the day upon which Captain Elliot issued the requisition?—Yes.

2408. Are you aware whether Captain Blake received any communication from Captain Elliot during that time, between the 23d of March and the 27th?—I am not aware; but those communications which I received I immediately communicated to Captain Blake.

2409. Sir *George Grey.*] Have you any objection to state the nature of that communication which you hold in your hand?—None at all; it is merely stating that the opium had been all surrendered to Captain Elliot, and requesting me to communicate to Captain Blake.

2410. Is there any statement in it of the existing condition of the foreign community?—No; except that "We are all well; everything is settled, by our agreeing to give up all the opium to Captain Elliot; please communicate this to Captain Blake."

2411. Mr. *Brownrigg.*] You said that you received a letter on the day that Captain Elliot left Macao, and that you received some intervening letters; did any of those letters state the great alarm that the community were in?—Yes; they stated that they were a good deal excited.

2412. But not expressing any apprehension for their lives?—No.

2413. Sir *George Grey.*] Have you any doubt that great apprehension did exist on the part of the British merchants at Canton?—There were many people in Canton at the time who had been a very short period there, and who did not know much of China, and who were a good deal alarmed.

2414. Are you aware that the memorial to Lord Palmerston, which was signed by almost all the foreign community of Canton, states, that their lives and property were in great danger at the time of Captain Elliot's arrival at Canton?—I believe there were many who signed that document who never read it.

2415. Do you believe that that document does not contain the real opinions of all the parties whose names are signed to it?—Yes.

2416. Here is the house of Dent & Company; do you suppose that the firm, consisting of Mr. Dent and his partners, signed that memorial, and were parties to addressing it to the British Government, without having read it?—I think that one of Mr. Dent's partners had a hand in preparing the document.

2417. Do you doubt that they really entertained an opinion that life and property were in danger at the time of Capt. Elliot's arrival?—The partner of Mr. Dent who managed the opium business had not been in China above six months, I think (Mr. Braine), and I believe that he was the party who prepared that memorial.

2418. You have not looked at the signatures to the memorial?—I do not recollect at present the signatures.

2419. Were there not then resident at Canton members of firms who had for years resided there?—Not many; there were not many old residents there.

2420. *Chairman.*] The great bulk of those persons had taken up their residence at Canton at the expiration of the Company's charter?—Yes; some within 18 months.

2421. Sir *George Grey.*] Do you doubt that the document truly expressed the opinions of the parties who signed it, although those parties, from having recently arrived there, might not be able to form a correct opinion?—I think that many signed it who were not able to form a correct opinion.

2422. Do you doubt that it correctly expressed the opinion of the parties that signed it?—I suppose it did.

2423. Have you any doubt that the signatures comprised almost all the British firms resident at Canton?—It is only a few years since there were more than three British firms there.

2424. Will you have the goodness to run your eye over these names, and state whether you conceive that these firms formed a fair representation of the existing British firms at Canton at that time?—(*The memorial being shown to the Witness*)—Yes, they did.

2425. Do you find any omission of the principal firms at Canton, with the exception of your own, from those signatures?—No.

2426. Mr. *Hogg.*] The date of that document is the 23d of May?—It is.

2427. Sir *George Grey.*] Does not it refer to the period of Captain Elliot's arrival at Canton?—Yes, it does.

2428. Mr. *Hogg.*] Is it your opinion that the feelings of those persons, as expressed in that document, were very much influenced by the conduct of Lin, subsequently to the month of March, and that their feelings of danger and apprehension are probably more strongly expressed in the month of May than they would have been if the document had been signed on the 26th of March?—I think their feelings in May were different from what they were in March.

2429. Do you not think that in May their feeling of danger, and their apprehension of violence from the Chinese government in consequence of the subsequent conduct of Lin, were much greater than they were in March?—I think so; Lin had acted much more treacherously, and done a great deal more than people could have anticipated in March.

2430. Sir *G. Grey.*] Then at the date of that document you think they had better evidence of Lin's intentions, and were therefore more competent to form a correct opinion than they were in March?—I think that Lin went much further than he at first intended; that the facility with which his orders were submitted to encouraged him to go further.

2431. *Chairman.*] And therefore that in May the sense of the danger they had escaped was greater than when they were actually in it, in March?—Yes, I believe so.

2432. Sir *G. Grey.*] You think they had better evidence upon which to form an opinion in the month of May than they had in March?—Yes; I think that if there had been more firmness in March, Lin would not have gone the length which he went to.

2433. Mr. *Hogg.*] Do you think that if the memorial had been prepared and signed on the 26th of March, it would have been expressed in terms so strong, with reference to their apprehension of danger, as the terms which exist in that document, assuming the signatures to it to be the same, or do you think that those strong expressions of danger have been induced by subsequent events?—I think that subsequent events made them believe that they were in greater danger than they supposed themselves to be in at the time.

2434. Mr. *Brownrigg.*] It appears that about three-fourths of the signatures to this are Parsees; do you suppose that they all could read English?—I do not suppose that the majority of them ever read the memorial.

2435. Sir. *George Grey.*] Were the transactions of those Parsees who have signed that document with native Englishmen at Canton carried on in English?—Yes, in English.

2436. Mr. *Gladstone.*] You have said that the trade upon the coast is now carried on with the connivance of the local authorities; have you any authentic information upon that subject?—I have no documents to prove it.

2437. Do you derive your impression from mere rumour?—Mere rumour.

2438. How far does it go; does it relate to certain particular parts?—Not to any particular part.

2439. Does it relate to any particular class of authorities?—It relates to the petty mandarins along the coast.

2440. Not to persons of authority or station?—No.

2441. Sir *George Grey.*] Is your firm at present engaged in the trade upon the coast?—Indirectly it is.

2442. Does your firm receive direct accounts of the mode in which the trade is carried on?—Yes.

2443. Mr. *Gladstone.*] Those accounts do not inform you that there is connivance on the part of persons of authority upon the coast?—No.

2444. *Chairman.*] Is the ground upon which you assume that supposed connivance the knowledge of sales being made?—Sales being made; and I know that the mandarins, up to the time of my leaving, connived at the trade.

2445. Sir *George Grey.*] Do not you find that greater obstruction exists to the trade upon the coast since Commissioner Lin's measures than existed previously?—Yes; the purchases are upon a smaller scale.

2446. With a view to concealment?—Yes; they buy less at one time.

2447. *Chairman.*] That is, the number of persons engaged in the trade is more numerous?—Yes; but each one takes a smaller quantity.

2448. Sir *George Grey.*] Has the price been raised considerably?—Yes.

2449. Mr. *Brownrigg.*] Has it not sold as high as 900 dollars a chest?—It may have been, in one instance or two.

2450. Mr. *Herbert.*] What is the mode of obstruction which the Chinese adopt upon the coast; do they attack the opium ships?—Never; the mode in which they try to prevent it is, to prevent the natives going off to the ships.

2451. And to intercept the landing of it in boats?—Yes.

2452. Sir *George Grey.*] Is it always taken ashore in native boats?—Always; the opium never goes over the ship's side till it is paid for; it is then put into bags, and the natives carry it away about their persons, and in various ways.

APPENDIX.

LIST OF APPENDIX.

PAPERS delivered in by *James William Freshfield*, Jun. Esq., 30 April 1840; viz.

I.

EXTRACTS from PARLIAMENTARY PAPERS and EVIDENCE as to the Connexion of the Trade in Opium between *India* and *China* with the Revenue Administration of *British India*, and the part and interest taken by the East India Company and its Officers therein:

(A.)—Report of the Committee of the House of Commons, 1830 (Parliamentary Paper, No. 644.) - - - - - - - - - - - - - - p. 157

(B.)—Report of the Committee of the House of Commons, 1831, Appendix 1 (Parliamentary Paper, No. 320–A.) - - - - - - - - - - - p. 160

(C.)—Report of the Committee of the House of Commons, 1831, Appendix 4 (Parliamentary Paper, No. 320–D.) - - - - - - - - - - - - - p. 161

(D.)—Report of the Committee of the House of Commons, 1832; II. Finance, Part 1, (Parliamentary Paper, No. 735–II.) - - - - - - - - - - p. 165

(E.)—Report of the Committee of the House of Commons, 1832; III. Revenue, Part 2, (Parliamentary Paper, No. 735–III.) - - - - - - - - - - p. 166

(F.)—Report of Committee of House of Lords, 1830 (Parliamentary Paper, No. 646.) p. 170

II.

EXTRACTS from PARLIAMENTARY PAPERS as to the Character of Chinese Edicts:

(G.)—Third Report of the Committee of the House of Commons, 1831, Appendices I. & II. (Parliamentary Paper, 1831, No. 320–A. 320–B.) - - - - - - - p. 171

III.

EXTRACTS from ACTS of PARLIAMENT, SECRET CONSULTATIONS of the Select Committee at *Canton*, and EVIDENCE given before the Select Committees of both Houses of Parliament, on the Affairs of the East India Company, as to the Powers and Authorities and Public Character of the Select Committee of Supracargoes at *Canton*, prior to the 21st day of April 1834:

(H.)—Act 26 Geo. 3, c. 57 - - - - - - - - - - - - p. 173

(I.)—Act 33 Geo. 3, c. 52 - - - - - - - - - - - - p. 173

(K.)—Act 53 Geo. 3, c. 155 - - - - - - - - - - - - p. 175

(L.)—Forms of East India Company's Licence to Country Ships trading between Calcutta and Canton - - - - - - - - - - - - - - p. 176

(M.)—Report of Committee of House of Lords, 1830 (Parliamentary Paper, No. 646, 1830) - - - - - - - - - - - - - - - p. 178

(N.)—Second and Third Reports of Committee of the House of Commons on East India Affairs, Evidence, 1830 (Parliamentary Paper, No. 644, 1830) - - - p. 178

(O.)—Third Report of Committee of House of Commons, 1831, Appendix I. (Parliamentary Paper, No. 320–A. 1831) - - - - - - - - - - - p. 179

(P.)—Third Report of Committee of House of Commons, 1831, Appendix II. (Parliamentary Paper, No. 320–B. 1831) - - - - - - - - - - - p. 179

(Q.)—Act 3 & 4 Will. 4, c. 93 - - - - - - - - - - - p. 180

(R.)—Order in Council of 9 December 1833 - - - - - - - - p. 180

PAPERS delivered in by *W. Jardine*, Esq., 18 May 1840; viz.

(1.)—Order in Council, 3 April 1840 - - - - - - - - - p. 181
(2.)—Order in Council, 4 April 1840 - - - - - - - - - p. 182
(3.)—Claims for Indemnity for Opium surrendered by Messrs. Jardine, Matheson & Co. - - - - - - - - - - - - - - p. 183
(4.)—(A.)—Statement of Purchases of Patna Opium by Messrs. Jardine, Matheson & Co. - - - - - - - - - - - - - - p. 186
(B.)—Statement of Purchases of Malwa Opium by Messrs. Jardine, Matheson & Co. - - - - - - - - - - - - - - p. 186

APPENDIX.

PAPERS DELIVERED IN BY J. W. FRESHFIELD, JUN. ESQ.

I.

EXTRACTS, EVIDENCE, &c. as to the connexion of the Trade in Opium between *India* and *China* with the Revenue Administration of *British India*.

1. Trade in Opium between India and China.

(A. 1.)—First Report from Select Committee on the Affairs of the East India Company, ordered to be printed, 8 July 1830. (Parliamentary Paper, No. 644.)

THE foreign trade, which is now restricted to Canton, except in the case of the Spaniards, who have still access to Amoy, a privilege stated to be merely nominal, and very rarely used, was formerly carried on in other ports, from which foreigners were gradually excluded by Acts of the Chinese Government. p. v.

In spite of these restrictions, however, it is stated that a contraband trade, chiefly in opium, has of late been openly carried on (without any disturbance from the Chinese authorities) with the ports to the north-east of Canton, which are represented to be safe and excellent harbours.

Smuggling in various articles is carried on in China to an immense extent, and to the injury of the Hong merchants, who are never concerned in it. It takes place chiefly in the contraband article of opium, which is imported into China in country and American ships, and much of which is purchased at the Company's sales in India. p. vi.

The Chinese Government prohibits the use of opium upon a moral principle; but this prohibition, although frequently reiterated in Imperial proclamations, is not only disregarded by the people, but also by the Government officers, who appear systematically to connive at the smuggling of opium, and to derive a large profit from the bribes of the smugglers. The Company's servants in India and China are cognizant of the fact that the opium sold at their sales is conveyed to China, but they are expressly prohibited from having any dealings whatever in that article.

The trade in opium, which is altogether contraband, has been largely extended of late years, and is conducted by private merchants, British and American. The opium is readily disposed of in China, and the returns of merchandize from China to India not being proportioned to the value of the opium, many of the ships go back in ballast, taking their sale proceeds either in bills on India or in specie, the exportation of which requires a licence from the Chinese authorities. This permission is granted occasionally for dollars, but never for native silver, usually called sycee. Both are however constantly exported by private traders to India in spite of the prohibition, and the whole export of silver by different parties has in some years considerably overbalanced the importation of dollars. p. x.

(A. 2.)—Evidence of *C. Marjoribanks*, Esq. (Parliamentary Paper, No. 644.)

705. YOU have given in a table showing that the barter trade in the year ending the 30th of June 1828 in the court of Canton amounted to 20,364,000 dollars; can you state what proportion that bears of the whole foreign trade at Canton?—I could give a statement of the amount of American trade, if it were not already before the Committee, and a comparison of the two statements with that of the Dutch included, would give the result. I should say the British trade at Canton is very considerably beyond all the others. p. 63.

706. By this statement it appears that the trade on the part of the Company imports 4,518,000 dollars, and that on private accounts including 11,243,000 dollars. The amount by the private individuals is 12,365,000 dollars. Will you state in what manner this account is made up, to enable them to show the amount of imports of opium, when it is a prohibited article?—I have already stated that though the committee in China are confined in their commercial dealings to the Hong merchants, yet like every other description of persons in their situation, they receive information from every source which they consider good, and when they are desired by their employers to furnish them with accounts of the opium trade or others, they consider it their duty to make such inquiries as may elicit the best information upon those subjects. Not dealing in opium themselves, they cannot speak to the practical part, but they receive information from British agents and others who deal in it. The friendly intercourse which has always existed between the respectable class of British merchants in China and the representatives of the Company induces the British merchants to communicate readily information upon those subjects, at least I have always found it so.

I.
Trade in Opium between India and China.

707. It is stated here, that 3,080 chests of Malwa opium is valued at 1,185 dollars per chest; in what manner is that valuation obtained?—From the sale. Those prices are not put down by the Company's servants; they are obtained from the British merchants who deal in opium.

708. Are the Committee to understand that although the trade of opium is prohibited under very severe penalties, yet that the quantity imported, and the prices at which it is sold, is as regularly known as any other article which is authorized and regularly imported?—It is made no secret of; it is generally known by the parties who deal in it, and they communicate it to others. The prices of opium are always given in the Canton Register, a public newspaper.

709. Is it not an instruction from the Court of Directors, that no Englishman in China shall in any way be concerned in the importation of opium?—No, there is no such order from the Court of Directors; the Company prohibit any of their own servants from dealing in opium.

710. Are you aware whether any of the Company's marks are put on the chests of opium imported from Malwa and Bengal?—I cannot speak accurately as to the fact. The only time when I have seen opium was when it was taken out of the chest; I do not know that it is so, and I do not know that it is not.

711. Is opium landed in chests in China?—I have understood that on board the country ships they break up the chests and put the opium into bags, in which state it is delivered to the Chinese. The chest is a cumbrous article, and they wish to get rid of it. The chest does not find its way into the Chinese boat; it is, I believe, left in the ship.

712. Can you inform the Committee how the trade of opium is carried on?—The question refers to the transfer of opium from the country ships to the opium boats. When I first went to China the opium trade was at Macao, from which it went to Whampoa, and is now confined to the islands at the mouth of the river. The opium smuggling boats go alongside the ships, in the open face of day, and the opium is delivered to them, upon their presenting what is called an opium order from the agent in Canton.

713. Is this trade carried on within the view of the officers of Government, and the men-of-war boats of the Chinese?—Frequently within the view of the men-of-war boats.

714. Are there boats stationed, on the part of the Chinese authorities, within reach and view of this trade?—Not regularly stationed; they frequently go and come there; they are constantly manœuvring about, and often report to the Canton authorities that they have swept the seas of all smuggling ships. The ships remain there just the same.

715. Have you ever known any case in which they have interposed to prevent the carrying on of this opium trade?—The Chinese have frequently interposed by the strongest proclamations; I have known some instances in which the opium boats have been seized, and the crew have had their heads cut off.

716. Has that happened when they have been detected up the river, or at the place among the islands where the trade is carried on?—They have been detected in different parts of the river; they are tried and convicted in a very summary manner. The custom-house officers, by whom the opium is seized, frequently on such occasions light a fire on the top of a hill, in a conspicuous situation. The opium is declared to be burnt; but I believe none of it is put into the fire.

717. Then, in point of fact, the interposition, although it may be connected with the loss of life, does not lead to the cessation of the trade?—No, it does not. The Chinese Government, with respect to opium, consider it as a traffic that ought not to exist. An Imperial edict is supposed to be indisputable, and anything contained in it is not to be contravened. They never acknowledge it as a trade.

718. Therefore, the existence of established laws against foreign trade, and against foreigners, by no means admits of presumption that the practice is according to the law?—No; practice and profession are much at variance in China.

719. Then, in point of fact, it may be said that the smuggling trade in opium is carried on with the connivance of the Chinese authorities?—With the connivance of the lower Government authorities; I am not prepared to say of the higher authorities.

720. Is that the case in the smuggling of other articles?—Yes, it is.

721. Have you known of seizures being made of opium in the interior of China?—I have heard of them; I believe the opium finds its way to all parts of the empire, and within the walls of the Imperial palace at Pekin, though it is disclaimed and denounced as a poison.

722. Is it carried on without interruption?—No, it is liable to frequent interruptions; the persons who carry it from Canton are obliged to conceal it about their baggage, to evade the search of the Chinese officers.

723. How can a trade of such an extent be a secret trade?—It is an illicit trade.

724. You have stated that the smuggling trade in opium is confined to the islands at the mouth of the Canton river?—It is there that it is principally conducted; the foreign ships anchor there, and the opium boats go alongside of the ships there.

725. Is it carried on at any other parts of the coast?—I have known opium ships go along the coast with a view to disposing of opium, but I believe unsuccessfully.

726. Is the smuggling trade in other articles carried on in any other parts of the empire?—Not to my knowledge; it is all at Canton.

727. Was there not a ship called the Merope freighted with opium?—I remember a ship of the name of Merope in China.

728. Did not that ship sail to the northward, and dispose of her cargo somewhere about the

the ports of Amoy and Ning Po?—I heard that she went along the coast, but the extent of her cargo I am not aware of.

729. Have you ever known the Hong merchants deal in opium?—Never to my knowledge.

730. Do you understand the consumption of opium in China to be rapidly increasing?—Very rapidly. I think I stated that the year I left China the importation of opium was supposed to be between 13,000 and 14,000 chests, which was a very considerable increase. I have a statement of the consumption and value of the Indian opium in China from 1818–19 to 1827–28.

[*The Witness delivered in the same.*]

STATEMENT of CONSUMPTION and VALUE of INDIAN OPIUM in *China*, from 1818–19 to 1827–28.

	Patna and Benares.		Malwa.		TOTAL.	
	Chests.	Value.	Chests.	Value.	Chests.	Value.
		Dollars.		*Dollars.*		*Dollars.*
1818–1819 - - -	3,050	3,050,000	1,530	1,109,250	4,580	4,159,250
1819–1820 - - -	2,970	3,667,950	1,630	1,915,250	4,600	5,582,200
1820–1821 - - -	3,050	5,795,000	1,720	2,605,800	4,770	8,400,800
1821–1822 - - -	2,910	6,038,250	1,718	2,276,350	4,628	8,314,600
1822–1823 - - -	1,822	2,828,930	4,000	5,160,000	5,822	7,988,930
1823–1824 - - -	2,910	4,656,000	4,172	3,859,100	7,082	8,515,100
1824–1825 - - -	2,655	3,119,625	6,000	4,500,000	8,655	7,619,625
1825–1826 - - -	3,442	3,141,755	6,179	4,466,450	9,621	7,608,205
1826–1827 - - -	3,661	3,668,565	6,308	5,941,520	9,969	9,610,085
1827–1828 - - -	5,114	5,105,073	4,361	5,251,760	9,475	10,356,833

Canton, 10 November 1828.

731. Is that statement confined to opium which has passed the Company's sales in India, or does it include the opium which is smuggled from India to China?—I believe it includes the Malwa opium, which comes from the Portuguese port of Demaun.

(A. 3.)—Mr. *John Aken.*

1996. Do the Hong ever purchase opium?—I believe not. p. 134.

1997. Do you know how the outside merchant introduces it into China?—I am not acquainted with that.

1998. Is it not a fact that they bring the boats alongside, and then it is thrown out of the ships into the boats?—Yes; when I sold my opium, I gave an order upon the chief officer to deliver it; but the person to whom I sold it, takes the risk entirely in taking it from the ship; he pays me for it before he gets the order.

1999. What does he generally pay you with?—In dollars or sycee.

2000. Do you happen to know the method by which the opium is smuggled into the country?—They take it from alongside in smuggling boats, that are well manned and armed, and there are a great many rivers, branches, and islands, and different places, and they put off directly with it, and they set all the Government boats at defiance; I have seen that myself. I have seen four Mandarin boats surrounding my ship, when I had 30 chests of opium to smuggle, and I was prevented going to sea on account of the opium, and I sold it to the people. I went down myself and saw the way they smuggled it; they stripped the chest entirely away and took nothing but the opium and put it into bags; and we open the lower deck port, and in one moment they put the opium into the boat, and all hands are off in a moment; we did that in a very heavy shower of rain; there was a cry out about three minutes afterwards, but the boat was gone like a shot.

2001. Were the Mandarin boats lying near?—One was lying ahead touching the ship, another was lying at the stern, and another was lying upon the opposite side.

2002. They were there to prevent smuggling?—Yes.

2003. Do you obtain greater or less price for your opium in proportion to the degree of vigilance of the Mandarin boats?—No, I never knew any difference made on that account.

2004. If the Mandarin boats had not been there, should you have obtained a larger price?—I do not think we should have got more; they always make certain of it; and it always struck me that there was an understanding between the smugglers and the Mandarin boats; there is an apparent vigilance kept up which has no existence, in my opinion; I have been told so by a number of people.

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(A. 4.)—*James C. Melvill*, Esq.

p. 433.

4965. ARE you aware of the quantity of opium which is sent at the present moment from India to China?—I know that it is very considerable.

4966. Are you aware of the fact of its having increased very much?—I believe it has; but at the same time, that trade is subject to certain contingencies. The supercargoes have reported twice or thrice during the present charter, that owing to some new exercise of rigour on the part either of the Emperor of China, or of the local authorities, to check the contraband trade in opium, they have been unable to rely with confidence upon the proceeds of that opium for the supply of their treasury.

4967. Supposing that trade to have considerably increased, would it not thereby afford considerable facilities in carrying on the rest of the China trade?—The Company always take up two-thirds of their funds in China, by either bills upon India or consignments from thence, and therefore it can only affect, so far as the Company are concerned, the difference between that and the total amount of the prime cost.

p. 448.

5147. Are you aware that in 11 years, from 1817–18 to 1827–28, the value of Indian opium sold in Canton alone, without including other quantities deposited in the other parts of China, has increased from 2,951,000 Spanish dollars in the first of those years to 11,243,496 in the last of those years?—I know that there has been a great increase in the price which opium has fetched at Canton, but I have understood that that price has greatly fallen, and that by the last accounts it was still decreasing.

5148. Are you also aware that the exports of Chinese merchandize have been far from keeping pace with this extraordinary increase of exportation of opium?—I am aware that there has been a remittance of bullion from China to India every year to pay the balance.

5149. Does not the large remittance of bullion from China to India to pay the balance explain the temporary falling off in the supply of opium from India to China; and does not it in fact show that the state of the trade now from China with other parts of the world is one in which they want the means of remittance in order to pay for the great quantity of opium and other articles that they consume?—It would appear that the Chinese cannot make returns in merchandize for all that they can take.

5150. Then the result is, that in proportion to the consignments made of opium, and many of those other articles, there will be greatly extended facilities given to the Company or any other parties trading with China for making remittances to India, and from India to Europe?—To India certainly; and the Company avail themselves of that resource to the extent of two-thirds of what they want.

5151. Are you not of opinion that if the Chinese could find increased means of remittance, they would consume a further quantity of opium and other goods from India and this country?—No doubt; but with respect to the opium trade, considerable uncertainty attaches to that, on account of the rigour that every now and then bursts out on the part of the Government to check that contraband trade.

EXTRACT from Third Report Commons' Committee, 1831, Appendix 1. (Parliamentary Papers, 320–A.)

(B. 1.)—EXTRACT from a Letter from the Select Committee at Canton to the Court of Directors, dated 26th January 1831. (First Appendix, Third Report, 1831.)

p. 619.

26. WE have already acquainted your Honourable Court with the greatly increased extent of the opium trade in China, carried on in defiance of official proclamations, under the connivance, and frequently by the instrumentality, of the officers of Government appointed to put it down. The ships engaged in it now remain anchored at the island of Lintin, and in its neighbourhood, throughout the year, unmolested by the Chinese war-vessels. The traffic is not confined to opium, but extends to articles of every description. Reports are regularly made by the native pilots to the governor of Canton of the number of vessels engaged in it. It never can be a recognized trade; but it is now to all intents an established one, and affords one of the most remarkable instances in this or perhaps in any other country, of the weakness and corruption of a government.

EXTRACTS from Despatches, and Enclosures in Despatches, from the Court of Directors to the Governor-general in Council, and from the Governor-general in Council to the Court of Directors. Laid before the Select Committee of the House of Commons, and printed n the Fourth Appendix to their Third Report on the Affairs of the East India Company, 1831. (Parliamentary Paper, 320–D.)

(C. 1.)—EXTRACT from a Despatch from the Secret Committee of the Directors of the East India Company to the Governor-general in Council at Fort William, in Bengal; dated 10th May 1816. (signed) *Thomas Reid, John Bebb.*

Para. 3. THE revenue derived from opium and salt, which at different times has been realized by different means, has always been of so great importance, that we entirely approve of the attention which you have paid to this subject. It certainly never was the intention of the Legislature, in opening the trade with India to the public at large, to endanger a revenue about 2,000,000 *l.* sterling per annum. Appx. No. 1, p. 1.

7. It being quite clear that the China trade is reserved exclusively to the Company by virtue of the 53 Geo. 3, c. 155, s. 2, no British subject can trade thither without the licence of the Company in its commercial capacity. The Company have therefore an indubitable right to withhold a licence to carry Turkey opium or any other article to China.

9. It is not in our power to prevent, nor can the British Legislature prevent, Turkey opium from being carried to the Eastern Isles and to China; because, though the trade in that article were altogether prohibited to British subjects, it would still be open to foreign nations to engage in it. We desire, however, that you will watch the progress and course of the trade, and report to us from time to time your information and sentiments respecting it.

(C. 2.)—EXTRACT from the Reply of the Governor-general in Council to the Despatch of the Secret Committee of the 10th May 1816; dated in the Territorial Department, 11th October 1816. (signed) *Moira, N. B. Edmonstone, Archibald Seton, G. Dowdeswell.*

6. WE had anticipated the suggestion contained in the 7th paragraph of your despatch, having already, on occasion of the importation at this presidency of a quantity of Turkey opium (to which we alluded in the 16th paragraph of our financial despatch of the 28th June last), given directions for inserting in the licences to trade in China a condition that such licence shall be void in case any foreign or other opium sold by the Company at their public sale in Bengal be laden on board the ship in any part of the voyage, or be imported into China on board of it. p. 6.

(C. 3.)—LETTER from the Court of Directors to the Governor-general in Council at Fort William, in Bengal, dated 27th January 1819. (Signed by 15 Directors.)

Para. 1. WE have received your political letter, dated the 4th January 1817, representing the injury which the opium branch of the Company's revenue is likely to sustain from the traffic in that article, which is stated to be carried on between the port of Goa and other ports in India, not subject to British jurisdiction, and the Portuguese settlement of Macao, and suggesting an arrangement between the Governments of Great Britain and Portugal, under which the latter Government may consent to prohibit the importation by its own subjects into Macao of all opium not purchased at the Company's sales in Bengal, and to impose such duties on that drug, whether the produce of Turkey, or of any place in India not subject to the British Government, when imported into that settlement by foreigners, as may be tantamount to a prohibition. Appx. No. 5, p. 11.

2. We are by no means insensible to the injury to which the Company's interests connected with the opium monopoly are exposed from the competition of Malwa and Turkey opium in the Chinese and other eastern markets, and we approve of the solicitude which you have evinced to provide for the security of this valuable branch of the Indian revenue. It has, however, appeared to us so improbable that the Government of Portugal would accede to an arrangement such as you have suggested, that we deem it quite unnecessary to submit the proposition to His Majesty's Government.

3. The superiority of the Bengal opium in point of quality over that manufactured in other parts of India, will, we trust, ensure to it a preference in the foreign market so long as the superiority is not much more than counterbalanced by the difference in price; and should a reduction in the price of Bengal opium become necessary, the expediency of proportionately increasing the annual provision will naturally engage your attention. We know of no practical mode of guarding against the evil which you apprehend, except by supplying the market at a moderate price with a better article than can be procured from different quarters, and through other channels.

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(C. 4.)—Extracts from a Letter in the Separate Department from the Court of Directors to the Governor-general in Council in Bengal; dated 30th January 1822.

Appx. No. 7, p. 12.

Para. 40. We have already noticed the progressive decline of the opium revenue, from 1814-15 to 1817-18 inclusive; this decline was ascribed to the competition of foreign opium in the eastern market. The proceedings now before us relate to the measures which you have proposed for the purpose of overcoming this competition, and restoring the prosperity of this branch of our resources.

43. The rivals of the Company in the China opium market are of three classes, namely, the traders in Malwa opium, the traders in Turkey opium, and the traders in illicit Bengal opium.

44. Of these three sources of rival supply, the Malwa opium appears, from the excellence of its quality, to have afforded the most powerful instrument of competition, so much so, that in the opinion of the Select Committee of Supracargoes at Canton, if the quality of the Company's opium should not be kept up to the standard established in 1798, and if the quality of the Malwa drug should continue to rise in proportion to its recent improvement, and the traffic continue equally free from restrictions, there was reason to conclude that the competition would extend to the limits at which the proceeds of opium in general would merely repay the expense of production and transport.

48. The principles of a strict monopoly, which supposes the exclusive possession of a market, and the consequent assurance of high price by means of limited supply, are evidently inapplicable to this state of things; you have, therefore, made it a subject of careful consideration, whether the eastern market cannot be commanded by the adoption of an entirely different system, namely, by supplying its entire demand at such a price as would render competition unprofitable.

57. We find, on reference to the records, that the selling price of the Behar and Benares opium at Calcutta, on the average of eight years from 1787-8, was 558; of 11 years from the same period, being the last 11 years of the contract system, 495; of 14 years from the same period, which will include the three first years of the agency system, 527 rupees per chest. If it was worth the while of the dealers in Turkey opium to send it to the China market when the price of the Company's opium at Calcutta was from 500 to 550 rupees, we can scarcely imagine such an enhancement of the cost of production or of transport, as that it would not be worth their while to send it when the price of the Company's opium at Calcutta is 1,400 rupees, making the most ample allowance for the improved quality of the agency opium. We fear, therefore, that the idea so strongly entertained by you, that a sale price of 1,400 rupees for the Company's opium in Calcutta will be so low as, by underselling, to drive the Turkey opium out of the China market, has been taken up on an imperfect view of the subject, and will be found, on experience, fallacious.

72. We are fully aware that you had only a claim among many opposite difficulties, and that you had it not in your power to fix on a course that would not have been liable to exceptions; but we have deemed it necessary to call your attention to some important considerations which you appear to have overlooked, and which forbid us to entertain any very sanguine hopes that the result of the course you have pursued will realize your expectations of maintaining the revenue at the standard of the most favourable year (1814-15); at the same time, the means which the Company possesses of commanding a large supply on moderate terms, and of an excellent quality, will always afford it a considerable advantage in the ordinary course of mercantile competition. We have no doubt but these advantages are capable of very great extension, if the drug be supplied of such uniform good quality as will give the purchasers in the eastern market implicit confidence in the Company's stamp. This confidence the deterioration of late years has greatly weakened. If this confidence can be restored and preserved, our resources may still derive considerable benefit from that moderate profit on an enlarged supply to which we must restrict our expectations, but we are fully persuaded that in proportion as this confidence shall be preserved or lost, this branch of our revenue will prosper or decay. The point, therefore, of vital importance, and that to which your most vigilant supervision is requisite, is the preservation of the uniform excellence of quality.

(C. 5.)—Extract from a Letter in the Separate Department from the Court of Directors to the Governor-general in Council in Bengal; dated 21st January 1829.

Appx. No. 9, p. 21.

7. The project of extending the cultivation of opium to Rohilcund, and establishing there another agency, suggested by Mr. Forde, collector of Moradabad, and Captain Jeremie, was by you, upon reasons which appear to us satisfactory, declined. But in consequence of the report of the late Dr. Abel, that the opium grown by Captain Jeremie in Rohilcund possessed "superior excellence as a narcotic over that of Behar, Benares or Patna, while in its other qualities it would bear a comparison with the finest kind of that grown in Turkey," the Board of Customs, Salt and Opium being of opinion that opium of the character of that produced by Captain Jeremie might be prepared in any of the present agencies, recommended that an experiment to that effect should be made; and in the making of it, that the following points should be in a particular manner attended to.

1. Generally, whether our Behar, Benares and Malwa opium are capable, by means of improved

improved cultivation or different preparation, of being assimilated in all respects to that of Turkey?

2. Whether, if converted into such, in what way the value of each would be affected in Chinese estimation?

3. Whether the present proportion of narcotic substance in the Behar opium could be augmented, and the drug be still preserved free from the noxious qualities which the Chinese consider the Turkey opium to possess?

4. What it is in the manufacturing process in our agencies that is prejudicial to the goodness of the drug, compared with the Turkey opium, as a medicine in Europe?

5. How far, if the character of Turkey opium can be imparted to the produce of India, and the article be sent home to compete with the other, there would be any fear of its subsequently finding its way to China, and so interfere with the exports made directly from hence? And

6. If possible to discover the nature of those desirable qualities in the Behar opium which have already obtained for it such a decided preference amongst the Chinese consumers.

9. Approving these suggestions, you authorized Captain Jeremie to be employed under the agent at Behar, at a salary of 500 rupees per mensem, as a temporary arrangement, and for the purpose of experiment. Afterwards, on a strong recommendation from the medical board that Captain Jeremie should be employed to manufacture a pure opium for the use of the medical department, you thought proper that this should be included among the duties he was to perform.

10. Averse as we are to the creation of a new office, and to any addition to the expense of your Government, we think that advantages here in view were so great, and the promise of them so far as to justify a temporary arrangement of the chance of their attainment. It is our particular desire, however, that the temporary and experimental character of the measure be not lost sight of, and to this end that an accurate report be forwarded to us as soon as possible, informing us what the result of the experiment has been, and whether any arrangement consequent upon its success or failure is by you reckoned expedient.

(C. 6.)—Extract from a Letter in the Separate Department, from the Court of Directors to the Governor-general in Council in Bengal; dated 16 September 1829.

19. We observe, from the report of the supracargoes at Canton, dated 13th September 1827, that the Chinese have manifested an increasing taste for the opium of Malwa, and that it had, in consequence of this and the disrepute of the Bengal opium, arising from the bad quality of it in the preceding year, produced a much higher price than the Patna and Benares opium, which in that year were stated to be of good quality. This circumstance, though the supracargoes describe their information as very imperfect, we trust has not been overlooked by you and the Board of Customs, as indicating the course which ought to be pursued in our Bengal agencies. It is at variance with the theory of the late Dr. Abel, in attempting to explain the reasons why the Chinese preferred the Patna opium both to the Malwa and the Turkey opium. We hope that the experiments which were approved of in our letter, dated the 21st January last, will have enabled you to judge of the competency of the officers entrusted with the preparation of an article so important both to the commercial and financial prosperity of your Presidency to improve the quality of the opium; should you entertain doubt on this point, we must insist on your adopting the course indicated in the concluding paragraph of that letter, as we cannot for a moment consent to sacrifice objects so important on account of any personal considerations.

Appendix, No. 10, p. 25.

(C. 7.)—Extracts from an Enclosure in a Letter from the Governor-general in Council in Bengal, in the Political Department, to the Court of Directors, (dated 10 July 1829, signed *W. C. Bentinck, W. B. Bayley, C. T. Metcalfe*). Being an Abstract of Correspondence regarding Malwa Opium, commencing from the year 1818 to the year 1828, prepared in the Secretary's office. (signed) *A. Stirling*, Deputy Secretary to the Government. (countersigned) *G. Swinton*, Chief Secretary to the Government.

Appendix, No. 11, p. 26.

The first paper in the series is a despatch from the Supreme Government, requesting a communication of the views of the Bombay government as to the best method of checking the exportation of Malwa opium, *viâ* the ports of Diu and Demaun, for the China market. The Bombay government state in reply that, 1st, as cultivation of the poppy had been prohibited in Guzerat (in 1803) by the influence of the British Government, so by the same influence the cultivation of the drug for exportation might be prohibited in Malwa; 2dly, that should the prohibition of the cultivation of the drug in Malwa be considered objectionable or impracticable, by cultivating the poppy in Guzerat, we should at any time be enabled to drive the Malwa opium out of the Chinese market.

In the resolution of Government, recorded in the Territorial Department as per margin, a full review is taken of the question of Malwa opium, and of the effects it would probably have on the Bengal monopoly, were not our restrictive measures extended to Malwa.

After explaining the relative value of the Bengal and Turkey opium in the Chinese market (which is five to three), and showing that there is no ground for apprehension from

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the effects of that opium, provided the price of our opium be not kept too high, it is observed that, on account of the demand for Malwa opium in the Chinese markets, it is impossible for us to retain our strict monopoly of Bengal opium; it remained to be considered whether we could obtain supply from Malwa at such a price as to prevent any great deficit in the revenue from the inferior price which Bengal opium must fetch in consequence of the modification of our monopoly.

The objects that would be attained by a more extended supply of the Chinese market on moderate terms would be, 1st, The prevention of smuggling; 2dly, The expulsion of foreign opium from the Chinese market. The total amount of foreign opium supplied to the China markets, in the year 1817–18, exceeded 3,000 chests, and the supply to Java and the Eastern Archipelago averaged 1,100 chests, making a total supply of 4,100 chests. If then 4,000 chests, in addition to our Bengal opium (4,000 chests), could be supplied by us from India, it would appear that our Bengal opium would suffer no material depreciation. The chief object in view must necessarily be, 1st, to obtain the supply of 4,000 chests from Malwa; and 2dly, to prevent by restrictive measures the production of any quantity of opium in excess of that supply. The scheme, however, of introducing our restrictive measures into Malwa was stated to be liable to many objections.

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In a note of Mr. Secretary Mackenzie, of 10th July 1823, it is observed, that as the price of Malwa opium depends on the price it will fetch in the Chinese market, it is obviously our interest to bring up such a supply of Malwa as will prevent a glut in the Chinese market, and enable us still to derive a fair profit from our Bengal monopoly. In order to secure such a supply of opium as will answer these objects, and to prevent a large quantity being thrown into the market, it will not be sufficient to enter into mere engagements with the different chiefs for the prevention of the illicit trade, but we must give them an interest in the monopoly. This may be done by purchasing the opium in the first instance at a moderate price, and allowing the chiefs a share in our net receipts. With regard to the total quantity of Malwa opium to be purchased, it would appear (from the best information before the Government) that 4,000 chests, each containing two factory maunds, will be a sufficient supply; and as we cannot, in order that the temptation to smuggling may not be too strong, and to keep out the opium of Turkey, expect above 600 or 700 rupees profit per chest, the profit on the whole would amount to 2,800,000 rupees. If it were necessary, therefore, to give a moiety of this, the remainder, or 14 lacs, would be a larger profit than we have hitherto derived from opium bought in Malwa. We should at the same time preserve our Bengal monopoly.

The internal consumption should, of course, be provided for by us at a cheap rate.

In conclusion, Mr. Mackenzie observes, that unless we are enabled to introduce a restrictive system into Malwa, it is to be feared that the supply of opium will be so superabundant as to render our Bengal monopoly of little value.

(C. 8.)—Extracts from a Letter in the Separate Department, from the Governor-general in Council in Bengal to the Court of Directors; dated 3d August 1830.

Appendix, No. 12, p. 53.

59. Every motive of sound policy seemed to suggest that the scheme of issuing passes, for a consideration equal to the real value of the route to be opened, should be substituted for that of purchasing opium in Malwa, to be forwarded and resold at Bombay.

60. The Government will doubtless lose by this plan that portion of the profit heretofore realized by its sales, which was the result of speculation upon China fluctuations of price; but that was less a consideration at present than it had been heretofore because of the certainty of the increased production causing a gradual diminution of the selling price in the ulterior markets. It had occurred at one time to us, as will have been seen in a previous part of this despatch, that a participation in that profit also might have been secured (besides the net equivalent for the value of the routes opened) by limiting the number of passes issued, and selling them by auction; but, on reconsideration, we determined to abandon that scheme and to confine the Government receipt to what might fairly be demanded as the equivalent for the advantage of transit and shipment offered to dealers by the new routes. As these benefits were fixed, and capable of distinct valuation, the rate of duty taken for the passes conferring them ought evidently to be so too.

62. Influenced by the considerations above adverted to, we have resolved as follows:

1st. That in lieu of the existing system for deriving a revenue on opium, the produce of Malwa and other parts in Central India, the Bombay Government shall give notice that passes for the free transit of the article to Bombay, for exportation by sea, will be granted on application to the collector of customs at Bombay, or to the resident and opium agent at Indore, on payment at the rate per chest of 140 lbs. weight, of rupees 200, or such other sum as the Bombay Government may fix as the fair and proper equivalent for the routes opened by the passes.

2d. That the opium agent in Malwa shall discontinue making any purchases of opium, and shall use his best endeavours to give effect to the scheme proposed to be substituted, concerting with the Bombay Government as to the form of pass to be issued, the period for which it is to run, and the manner in which it is to be returnable after the arrival of the opium covered by it at Bombay.

3d. That

3d, That the agent be further directed to promulgate the determination of the Government to grant passes in the manner indicated, and to explain to the merchants the facilities that will be afforded by the routes opened as well as those of the Port of Bombay furnishing every information on the subject in his power to all that may apply for passes.

4th. That notice of the above change of plan be communicated to the Board of Customs, Salt, and Opium, with a view to its being made known to the merchants and purchasers at the Calcutta sales.

68. Full information of the new plan upon which it was proposed to conduct the concern in Malwa, will be communicated through the Board of Customs, Salt, and Opium, to all persons concerned in the opium trade to China, at this presidency; and we informed the Bombay Government that it was our intention to continue to encourage the extension and production of the articles on this side of India.

C. 9.)—EXTRACT from a Letter from the Governor-general and Council in Bengal to the Court of Directors; dated the 21st September 1830. (signed) *W. C. Bentinck, W. B. Bayley, C. T. Metcalfe.*

15. WE are taking measures for extending the cultivation of the poppy, with a view to a large increase in the supply of opium to be offered for sale at this presidency. Our proceedings for this purpose will be reported hereafter. In the meantime, we look upon the difficulties which threaten this resource, through the removal of the restrictions in Central India,—and from which the restrictive system was not exempt, for during its existence the exportation from Demaun to China was continually increasing,—to merit the watchful care of Government; for the final effect of an increase beyond assignable limit in the quantity of this drug exported to China from both sides of India is a result beyond the power of our foresight to discover, or even to hazard at present any speculation upon.

Appendix, No. 13, p. 59.

(D. 1.)—EXTRACT from the Report of the Commons' Committee, 1832; II. Finance, Part I. Parliamentary Paper, 735-II.

THE gross revenue of India has been increased by the acquisition of new territory, but improved and extended tillage, enlarged commercial dealings, an increase of population, the enactment of better laws, more efficient management on the part of Government, new stamp duties, and a great increase in the demand for opium in China, have all contributed to improve the revenues.

p. viii.

(D. 2.)—MINUTES of EVIDENCE before Select Committee; II. Finance, Part I.

Holt Mackenzie, Esq.

216. IN opium the Company has an exclusive trade?—Yes; and from that source also they derive a very large revenue, the excess of the sale prices beyond the first cost constituting such a tax as I should think it hopeless to get by any other device; and though, commercially speaking, there are strong objections to the system, yet we must set against that the necessity of the revenue, and my belief is, that the same amount of revenue cannot be otherwise got.

p. 26.

230. You state that opium yields an immense revenue, and that you doubted whether the monopoly can be taken away without a loss to the revenue; you have already stated that the market of China, the principal outlet, is supplied by Malwa and Turkey opium?—It is.

p. 27.

231. Are you not afraid that the profit derived from opium in Bengal may perhaps be influenced by Malwa and Turkey opium coming in competition in the China market, and would not that rather seem to call for a reduction of that heavy duty on Bengal opium than to keep it up, as proposed, for the purpose of revenue?—I would not propose that the tax should be kept up at the rate which has hitherto prevailed on this subject. I beg to refer the Committee to a letter of the Finance Committee in Bengal, in which the necessity of a large extension of supply, coupled with a smaller price, is very decidedly urged. It is indeed clear, that the monopoly profit in Bengal must be measured by the price at which a supply of the drug can be drawn from other quarters; and I think it is essential for the security of the opium revenue at Calcutta that the supply should be considerably increased, and the sale price of course reduced, which is equivalent to a reduction of duty; but I still think the cost of opium produced in Malwa, and brought to Bombay, and the cost at which Turkey opium can be obtained, is such as to leave a balance very much in favour of the produce of the Bengal provinces, such a balance as could not be collected in the form either of an excise or transit duty. And although I anticipate a considerable reduction in the rate of tax, it does not therefore necessarily follow that there will be a reduction in the amount of revenue.

236. Do you include in that the portion of amount required which would be sent through Canton?—I think that a remittance to England might be advantageously made

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through China, as is now in fact done by the Company, the drafts of the supercargoes on the Bengal government forming virtually a remittance from Bengal to England. The trade in opium, of which the proceeds in China by the last account were upwards of two millions and a half, seems to afford a large means of remittance by way of China, so long as England shall have a balance to pay to that country for tea and other things purchased there.

237. That would still remain open as a means of remittance, whether the Company traded or not?—Certainly, if the trade continued; if individuals traded with the same success.

p. 29.

255. Do you not apprehend that, under all circumstances, it is probable a large export trade from India to China will continue?—Yes.

256. Will not the opium trade carried on from India to China always afford to the Indian government the means of making remittances from India to England?—Certainly, so long as England has a balance to pay to China.

257. Must there not, so long as there is a large export of opium from India to China, always be remittances made, either from China to India or from China to England, to pay for that large export of opium which so takes place?—Certainly.

258. Will not bills, therefore, on England, to the amount of the opium exported from India to China, be always to be drawn in respect of the opium so exported?—I should think that must depend upon the general state of the trade between the three countries.

259. In what manner at present does China pay for the opium exported from India to China?—Partly in the Company's investment, partly in bullion, and partly in goods sent to India, especially to the Bombay side of India.

(D. 3.)—APPENDIX.—Part 3. II. Finance (Commercial.)

p. 882.

OPIUM shipped from 1820–21 to 1830–31 at the Port of *Calcutta* to Countries beyond the three Residencies.

YEARS.	China.	Penang, &c.	Sumatra.	Peque.	TOTAL.
	Chests.	*Chests.*	*Chests.*	*Chests.*	*Chests.*
1820–21	3,591	657	45	-	5,147
1821–22	1,936	268	38	-	2,591
1822–23	3,207	395	50	-	4,100
1823–24	3,923	801½	47	-	5,209
1824–25	5,365	1,258	73	20	7,086
1825–26	4,627	345	10	-	5,155
1826–27	5,861	435	64	33	6,568
1827–28	7,341	325	23	1	7,903
1828–29	4,903	1,582	-	7	6,554
1829–30	7,443	2,071	-	31	9,678
1830–31	Returns not yet arrived.				

(E. 1.)—EXTRACTS from the Report upon Revenue 16th August 1832. III. Revenue, Part II. 735–III.

p. 10.

THE monopoly of opium in Bengal supplies the Government with a revenue amounting to Sicca rupees 84,59,425, or sterling money, 981,293*l.* per annum; and the duty which is thus imposed amounts to 301¾ per cent. on the cost of the article.

In the present state of the revenue in India, it does not appear advisable to abandon so important a source of revenue; a duty upon opium being a tax which falls principally upon the foreign consumer, and which appears, upon the whole, less liable to objection than any other which could be substituted. * * *

At the same time, it must be recollected that the revenue thus derived is of the most precarious kind, depending as it does on a species of monopoly under which we possess exclusive control over neither the production nor the consumption of the article. It has already been materially affected by the competition of the opium of Malwa; and from the continued increase of supply from that district, as well as from its improved quality, which has enabled it to fetch an enhanced price in the foreign market, it would appear that the same cause

cause must in all probability hereafter produce a still greater reduction in the revenue. It would therefore be highly imprudent to rely upon the opium monopoly as a permanent source of revenue, and the time may probably not be very far distant when it may be desirable to substitute an export duty, and thus by the increased production, under a system of freedom, to endeavour to obtain some compensation for the loss of the monopoly profit.

Another source of revenue under this head is the duties collected on the transit of Malwa opium through Bombay, the Government having for the two last years abandoned their attempted monopoly of that article, and substituted a permit or transit duty, which has been attended with satisfactory results. It is in evidence, that previous to this regulation, two-thirds of the opium of Malwa was carried by a circuitous route to the Portuguese settlement of Demaun, and only one-third brought to Bombay, but latterly no more than one-tenth has been exported from Demaun, and the remainder, nine-tenths, have been shipped from Bombay, yielding to the Government a revenue of 200,000 *l.* for the current year. Although there can be no doubt of the policy of this measure, it must be recollected that every additional facility which is afforded to the sale of Malwa opium will eventually enable it to enter with increased advantage into competition with the opium of Bengal; a consideration which tends still more strongly to recommend either the adoption of the system adverted to in the preceding paragraph, or of some other equally calculated to meet such a contingency.

(E. 2.)—MINUTES of EVIDENCE before the Select Committee, 735–III.

III. Revenue, Part II.

Hugh Stark, Esq.

127. You are Chief of the Revenue Department of the India Board?—Yes. p. 9.

230. Will you be so good as to tell the Committee in what parts of the Presidency of Bengal the opium monopoly has been established?—The opium monopoly exists all over British India.

232. What is the system under which that cultivation is adopted?—The opium agents are aided by the collectors of districts, who are termed deputy opium collectors; they enter into arrangements with the cultivators for specific portions of the poppy collection; the Company pay the cultivators 3½ rupees for poppy juice per seer, which weighs rather less than 2 lbs. * * * Of late years I have seen no complaints on the part of the cultivators, and the cultivation has been largely extended, with a view of competing in Eastern markets with the opium of Malwa and Turkey. p. 18.

235. Is that monopoly at present a well-enforced monopoly?—I believe it is very effectual; there may be some smuggling, but it is merely for the supply of the neighbouring districts. The Hindoos use little opium.

236. Has it not been affected of late years by the cultivation of opium in other parts of India?—The Company have relaxed in the price of the opium; their object now is to sell at a low price, to enable merchants who purchase the opium at the Calcutta sales to compete with the merchants who procure their supplies from Malwa and Turkey for the China markets.

239. Does the price of opium which is of the same quality vary much from time to time in China?—The price in one year fell very considerably; I think it was in 1827.

240. Owing to what circumstance?—From a large importation of opium from Malwa and other quarters. The quantity of capital employed in China in purchasing 4,628 chests, in the year 1821–22, amounted to 8,314,600 Spanish dollars; in 1827 there were 7,430 chests imported, and sold for 7,352,150 Spanish dollars.

241. Do you think that the China market would take a larger supply of opium than that now sent?—It has done so, and the supply is still increasing.

242. Do you conceive that the value of that monopoly has been latterly increasing to the Company as a source of revenue?—The Finance Committee reckoned that the Government might derive from that source about 1,000,000 *l.* a year.

243. What was the usual revenue derived from it before the monopoly was infringed by the native cultivation?—I think it averaged from 70 to 90 lacs of rupees, but it has always fluctuated.

248. According to the information that you have obtained, can opium be cultivated more cheaply and with greater advantage in Bengal than in any other part of the East, taking into consideration both quantity and quality?—The Bengal Government have never attempted to produce opium, with reference to its medical qualities, but entirely with a view of meeting the taste of the Chinese.

470. Will you describe to the Committee the state of the opium revenue under this Presidency (Bombay)?—A considerable portion of the opium purchased when the Government employed an agent at Malwa was brought to Bombay, and sold on account of the Government, in the same manner as the Benares and the Behar opium is sold at Calcutta to British and other merchants. Opium is not produced in the Bombay territories. p. 34.

473. Since that time has there been a system of license for that?—It is proposed to abandon the sales, and to substitute a transit duty upon the opium belonging to private merchants

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merchants passing through the Bombay territories, and to afford them all the facilities that the Bombay Government can of storing it and exporting it to China.

474. Will you explain the circumstances under which these agents were placed at Malwa?—The Bombay Government determined to go into the market as purchasers, but it was found that the agents employed by them had so little knowledge of the business on which they were employed, that they raised the price much beyond the ordinary price in the districts. The Government of Bengal at length deputed Mr. Swinton, an experienced opium agent, into Malwa, for the purpose of placing the opium transactions on a satisfactory footing. With the aid of the political agents in Malwa, Mr. Swinton succeeded in restricting the growth of the poppy, and established a monopoly similar to that in Behar and Benares.

475. Was that interference found necessary in consequence of the effect of the growth and manufacture of opium at Malwa upon the manufacture of opium at Behar and Benares?—It was considered necessary for the security of the opium revenue of Bengal, which was seriously affected by the increasing exportations of Malwa opium to the Eastern markets.

(E. 3.)—Evidence of *Langford Kennedy*, Esq.

p. 55.

717. Were you in the employment of the Company?—I was in their civil service.

718. What situation did you hold in the civil service?—I first held the situation of assistant to the opium agent at Patna; I was appointed assistant in 1812; in 1815 I was appointed deputy to the opium agent in charge of the districts of Sarun and Tirpoets, in the province of Behar. In 1821 I was appointed collector of land revenue conjointly with that of deputy opium agent in Sarun, in which situation I continued until I left India, in 1829.

780. Is the agent limited as to the quantity of opium he can supply, or is he to supply as much as he can?—As much now as he can; there was formerly a prescribed limit, in consequence of its being understood that the demand for the article in the Eastern markets was limited, and Government wishing to derive a large revenue from a small supply; the object of Government, when I came away, was to procure as large a supply as could be obtained.

1125. Where there is a sufficient temptation offered, smuggling would be carried on under the present system?—Yes, I think it certainly would: the quality of opium grown in that part of the country of which I am speaking (Rungpore), and I believe it would be found generally to be the case if it were cultivated in Bengal, was very inferior indeed to that of Behar; so bad that the Government would never allow it to be sold for the China market, though tolerably well adapted for the internal consumption of the country; Government would not endanger the character of their Behar and Benares opium by allowing it to be carried to a foreign market.

(E. 4.)—Evidence of *William Butterworth Bayley*, Esq.

p. 136.

1644. You have been employed in a variety of offices in India?—Yes, I have; I was a member of Council for five years, before which I held the office of chief secretary to Government.

p. 139.

1684. Do you recollect what has been the amount annually put into the pockets of Government from the sale of opium of late?—I think a net revenue fluctuating from 700,000*l.* to 1,000,000*l.* a year.

1685. Do you think the revenue upon that stands upon a secure footing?—Yes, I think it does; unless the Chinese should practically enforce their laws against the admission of opium, I do not think the revenue will fall much below what it is at present. The demand for opium is increasing. Our means of augmenting the supply are very great indeed. We can extend the quantity supplied from the Bengal Presidency very largely; we could afford a still greater reduction of price, under the supposition that the demand continues to increase in the same ratio as it has done of late years.

1687. Does the difficulty of smuggling it into China increase with the quantities that are carried in?—I should say apparently not; we have heard of very little difficulty in its being smuggled of late years. The local authorities must of course wink at it.

(E. 5.)—Evidence of *James Mill*, Esq.

p. 263.

2991. Has the situation which you have held at the India House made it necessary for you to turn your attention at all to the great monopolies established in India; one of salt, and the other of opium?—It has.

p. 267.

3020. Has any calculation been made which would enable you to judge what extent of supply thrown into the China market would reduce the cost of opium to the cost of bringing there, leaving no monopoly profit or export duty whatever?—I think nothing beyond a vague conjecture can be formed on that subject; for we know hardly anything of the China market, but that it has taken so much, and at such prices. Our experience of the past is

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in this case little of a guide for the future; we see that an increasing quantity has gone to China, and that this has gone off at a high price; the late reduction of price may have been produced by the competition of the merchants, who have been able to supply themselves more cheaply.

3021. If the Committee assume, then, that the price in China continues merely the same as it is, that the expense of growing opium in Malwa continues as much greater than the expense of growing it in Bengal, and that it is also loaded with transit duties to a considerable amount; in competition with the opium, brought to the market under such circumstances, what do you think would be the monopoly or selling price of the Bengal opium; would it be very much less than it has been lately, or is at present?—Several of the duties alluded to in the question remain very uncertain. We cannot tell what the cost production of Malwa opium will be reduced to; my own notion is, it must be very much reduced; it will certainly be very much reduced if the governments there are wise enough to lower the assessment. The amount of the transit duty will depend upon the cost of carriage to Demaun; what that may be reduced to can also be but vaguely conjectured. Whatever price, however, can be imposed upon the Malwa or other opium, beyond the prime cost of the article in Bengal, must always be insured as profit to the government on the Bengal produce; and if its hopes are realized that it can increase the quantity in Bengal very much, and come into competition in the Chinese market, to a large extent, with even the cheap Malwa opium, then a very considerable revenue may still be realized.

3024. Is not the present duty levied entirely on the foreign consumer?—Entirely on the foreign consumer; there is a tax levied on the home consumer, but in a different way.

3025. Is not the home trade in opium very inconsiderable?—Very inconsiderable.

3026. Do the Hindoos consume it?—To no great extent; the monopoly operates as a tax merely on the foreign consumer.

EXTRACTS from Letters addressed to *T. Hyde Villiers*, Esq. in reply to a Circular Letter from the Commissioners for the Affairs of India, requesting information on the Revenue Administration of British India. Laid before the Select Committee of The House of Commons, and printed with their Report on Revenue, 16 August 1832.

(E. 6.)—EXTRACTS from the Letter of *W. M. Fleming*, Esq. formerly Judge of Circuit, and Inspector of Opium for the East India Company at Patna.

WITH regard to the present plan of levying a revenue from opium in Behar and Benares, I am of opinion that it is perhaps upon the whole the best that can be adopted, being less objectionable than any other monopoly, as well as a fair object for taxation. The system, even in a commercial point of view, appears to me beneficial, as being perhaps the only means of ensuring a supply of the pure drug, of a uniform quality, and prepared in a particular manner to suit the taste of the Chinese, which if not duly attended to would, I apprehend, greatly injure the trade, which has long been a most profitable one to the merchants of Calcutta, besides being a source of revenue. p. 282.

It is not difficult to account for the Malwa chests having sold higher in China one season than those of Behar, for they actually contain a greater quantity of dry opium; and besides the character of the Behar opium had suffered in consequence of the inferiority of the provision of 1824 and 1825 (but which there is reason to believe has recovered). With the view, however, of ascertaining whether the mode of manufacture of the drug and package adopted in Malwa was preferred by the Chinese to that which had been so long practised in Behar, a few chests were packed with pounded leaves in the Malwa manner, and also one or two in oiled paper, and sent to China with the provision of 1828; the result of which I have not heard.

(E. 7.)—EXTRACT from the Letter of the Right Honourable *Holt Mackenzie*, late Secretary to the Territorial Departments of the Government of Bengal.

THOUGH it is, I believe, certain that the quality of the opium of Behar and Benares has been very greatly improved under the agency system, (the occurrence of exception does not destroy the rule), and although the same effect was, I understand, produced by Mr. Swinton's exertions in Malwa, yet I do not see any sufficient reason to apprehend a failure of the revenue from the deterioration which is by so many anticipated as a consequence of free trade, especially as it is likely that many Europeans might engage in the speculation. And on the whole, seeing the great importance to India and to England of securing the China market for the produce of our own dominions, by an abundant and cheap supply, I am not prepared to assert that the trade in this article might not be advantageously thrown open. p. 295.

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Trade in Opium between India and China.

(E. 8.)—EXTRACT from the Letter of the Right Hon. *Mountstuart Elphinstone*, late Governor of Bombay.

p. 332. MY only knowledge of the Bengal opium monopoly arises from the steps taken to protect it from the competition of Malwa opium. That opium could not easily reach the sea without passing through the districts under Bombay, and it was there met by a duty which amounted to a prohibition. This afforded a great temptation to illicit traffic, and great quantities of opium were constantly smuggled to Demaun, a Portuguese port, from whence it was exported to China. To relieve the authorities of Malwa from the effect of this exclusion of their opium, a portion was annually purchased by the Company and sold again to merchants for exportation to China.

(E. 9.)—EXTRACT from a Letter from the Bengal Government to the Court of Directors; dated 10th January 1832. (signed) *C. T. Metcalfe, W. Blunt.*

p. 707. 30. ON our part we represented to the Right Hon. the Governor-general that we were of opinion that the system of granting passes for Malwa opium ought to be continued, under the success which had attended the experiment in the past season, as reported by the agent, and the Right Hon. the Governor-general being of the same opinion, his Lordship caused instructions, of which the following is the substance, to be communicated to the Government at Bombay.

* * * * * * * * *

The consideration paid for the passes, viz. 175 rupees per chest, appeared, from the number of applications made, under condition of payment for them in advance, not to be more than the real value of the advantage opened to the dealers by the permission to bring the drug by the direct route to Bombay, and ship it there for China.

(E. 10.)—LETTER in the Separate Department from the Court of Directors to the Governor-general in Council in Bengal, 19th October 1831.

p. 711. Para. 16. UPON the whole, we cannot but consider your opium revenue as in great hazard; and we think it of importance to warn you against placing an implicit reliance upon a resource which may fail you, and in respect to which a disappointment, if unforeseen and unprovided for, might greatly embarrass your Government.

17. It is impossible to frame in this country any specific instructions for your guidance; your measures must be adapted to circumstances as they arise, or as they may be reasonably anticipated. If, contrary to our apprehension, the price of opium should continue as high at Bombay as you anticipate, and if you should also be enabled, in consequence of the continuance of high prices in the Chinese market, to sell a much enlarged quantity at Calcutta at a price, though reduced, still sufficiently high, a perseverance in the measures which you propose will be adapted to these circumstances, and the results will be all satisfactory.

18. But if this expectation should not be realized, if prices should fall considerably either at Bombay or in China, some alteration of your measures will be immediately required, and a close attention to the circumstances can alone direct you to the proper expedients.

(F.)—EVIDENCE of *William Malcolm Fleming*, Esq.

(Parliamentary Papers, No. 646.)

p. 65. 1060. HAVE you resided in India?—I have.

1061. In what capacity?—In the Judicial department.

1062. What situation did you last hold?—I held the situation of second judge of the court of circuit for the division of Patna.

1063. Were you not directed to make some inquiries respecting the manufacture of opium?—Yes, I was.

1064. Have the goodness to state the object and nature of those inquiries?—The object was to ascertain the cause of the opium of a particular season, I think 1824-25, having sold so badly in the China market, in fact a great proportion of it being almost unsaleable, and in consequence, those who had purchased at the Company's sales made an application to Government for a remuneration for losses sustained in consequence of the badness of the article.

1066. Did you ascertain the cause of the deterioration?—Yes; I stated my opinion of the cause of the deterioration, and how it happened.

1067. Have the goodness to mention it?—It appeared to me that it was chiefly caused by a quantity of leaves being mixed up with the drug at the time it was forming into balls. It is sent to the China market in a particular form, made up with a crust of leaves round it, and the people who were employed in making it added a considerable quantity of leaves to it.

1070. The sum paid back by the Company was large, was it not?—It was.

1071. Do you recollect how much?—Twelve or thirteen lacs of rupees.

II.

EVIDENCE as to the character of CHINESE EDICTS, and disregard of them by the Company's Supracargoes.

EXTRACTS from LETTERS from the Select Committee at Canton to the Court of Directors, and from the Secret Consultation of the Select Committee at Canton; printed in the 1st and 2d Appendixes to the Third Report of the Select Committee of the House of Commons on the Affairs of the East India Company, 1831.

(G.)—EXTRACT from Letter to the Court of Directors, dated 26th January 1831. (Third Report, 1831, App. No. I.—Parliamentary Paper, 320-A. p. 617.)

7. WE feel confident that the general principles which we have laid down for our guidance will meet the approbation of your Honourable Court; we at the same time admit, that the very peculiar character of this government, and the rigid nature of its institutions, must be borne in remembrance. We believe that its violent and dictatorial proclamations are often a tribute which its authorities are compelled to pay to national vanity. There are many of them daily issued and disregarded.

10. The experience which your Honourable Court had of the Chinese character, in the history of the past intercourse of your servants with this country, will forcibly suggest how impossible it is to apply to it the principles which regulate the governments of other civilized nations; those which peculiarly belong to it, as influencing our situation here, are its exclusive nationality, its corrupt constitution, its anxiety to preserve unimpaired British intercourse with China, and its apprehension of what might be the consequences were that intercourse by any act of its own interrupted.

11. To its nationality must be attributed that tone of haughty dictation, which in common with most oriental governments it assumes, which is most conspicuous in official proclamations, issued frequently without any expectation, often without any wish, that they should be attended to.

(G. 1.)—EXTRACT from Letter to the Court of Directors, dated 15th November 1830, on the subject of Discussions between the Select Committee and the Chinese Government, relating to the residence of Ladies at Canton. (Third Report, 1831, App. No. II.—Parliamentary Paper, 320-B. p. 28.)

57. The Hong merchants having informed us that the Viceroy was unwilling to give more than a verbal assurance to a verbal threat, we addressed a letter to him, which will be found upon our Consultations, under date the 25th October, stating the threat made use of, and the formal way in which it was conveyed, and requiring from him the strongest assurances that our factories and our persons were secure.

58. On the 28th, an answer recorded under that date was brought to the President by the merchants, who stated, that it would be found conciliatory, and to contain the assurance we required of personal protection; they added the strongest assurances on their part, that no armed force should ever enter the factories, and that no molestation would be given to English ladies residing in Canton, qualifying this latter assurance by saying, that although edicts might from time to time be issued, which the forms of office rendered necessary, yet beyond that no molestation would be offered or notice taken; exemplifying their meaning by an allusion to the edicts annually promulgated against the opium ships, which were never intended to be put into execution.

(G. 2.)—EXTRACT from Letter in the Secret Department to the Court of Directors, dated 24th December 1814, partly relating to the case of a Linguist said to have been punished for his services to the East India Company's Factory. (Third Report, 1831, App. No. II. —Parliamentary Paper, 320-B. p. 87.)

7. Your honourable Committee have been already informed of the official declaration of the Viceroy, that the arrest of the linguist was not on any account of his connexion with the English. With the edicts on this occasion we declared ourselves satisfied, with the exception of an offensive paragraph which, although not withdrawn, was ultimately explained, and the insinuations it contained disavowed.

8. On a perusal of these edicts, and the arguments made use of by the Mandarins in the first conference with Sir George Staunton, it might appear to a person unacquainted with the Chinese Government, and the entire inconsistency of its practice with its professions,

II.
Character of Chinese Edicts.

that the Committee had no cause of complaint, and that the Government were merely enforcing the laws against a delinquent, who having once been a menial servant, had obtained rank. The specious show of reason and argument assumed on all occasions by the officers of Government, even in asserting a falsehood, must no doubt have the effect of inducing those who have not a local knowledge and experience to guide them, to judge more favourably of the Chinese character than they merit. We beg to refer your Honourable Committee to the Report transmitted us by the linguist, of his examination and his subsequent communications.

(G. 3.)—EXTRACT from Letter in the Public Department to the Court of Directors, dated 8th November 1816, partly relating to circumstances arising out of an Address of the Select Committee to the Viceroy of Canton, being presented at the Viceroy's Palace, and not forwarded through the Hong Merchants. (Third Report, 1831, App. No. II.—Parliamentary Paper, 320-B. p. 94.)

21. Since writing the above paragraphs we received an edict of the Viceroy, a translation of which is forwarded in the extracts from our Consultations, and will, no doubt, evince to your Honourable Court the difficulty under which we labour in all negotiations with a government so void of truth in all their proceedings, and whose edicts and actions on no occasion accord. Your Honourable Court will observe the declaration of our address having been presented by the merchants at the moment that our compradore is still in confinement, and has undergone the severest treatment, from false accusation of having conducted Europeans into the city. It is however a conclusive argument, that we committed no error in proceeding to the city with our address, as it would have been readily seized as an act of delinquency had it been contrary to the laws of China. The describing the General Hewitt as lying at the second bar, or rather affecting ignorance of her being at Whampoa, is a convincing proof, added to many, of the statements that are made on all transactions with foreigners.

(G. 4.)—EXTRACT from Letter to the Court of Directors, dated 8th December 1817. (Third Report, 1831, App. No. II.—Parliamentary Paper, 320-B. p. 100.)

63. Nations in general must be admitted to possess the right of regulating their commerce according to their separate views of policy; but China forms an exception to civilized countries, where trade is regulated by treaties. Foreigners have equally with natives the protection of the laws; when custom is invariably referred to by one party as the rule of action, it is but equitable that the advantages of that test should be reciprocal.

(G. 5.)—EXTRACT from Letter to the Court of Directors, pending Discussions with the Canton Government, dated 22d February 1814. (Third Report, 1831, App. No. II.—Parliamentary Paper, 320-B. p. 59.)

27. By the publication of the Viceroy's edict of the 2d of December, we were happily relieved from the necessity of taking into consideration the adoption of the measure proposed in Mr. Elphinstone's Minute, of withdrawing the Honourable Company's ships for the purpose of more effectually representing what we had to complain of to the government of Pekin. Carrying on an extensive commerce sufficient to excite the rapacity of the officers of government, protected by no laws, but on the contrary, such regulations as are made, so vague and undefined as to admit of any interference or interpretation that a corrupt and despotic government may be disposed to give them, our only hope of preventing the recurrence of these attacks is by a firm and decided resistance.

(G. 6.)—EXTRACT from China Consultations, 7 October 1830, on the case of the Homicide of Captain F. Mackenzie, by certain Parsees at Canton. (Third Report, 1831, App. No. II. —Parliamentary Paper, 320-B. p. 38.)

Although, judging from the documents previously recorded, it would seem that the Chinese government does in principle take cognizance of the acts of foreigners among themselves, yet the difference evinced by the Hong merchants, and the documents being addressed generally to the foreign native chiefs, would incline to the belief that in practice they care not to interfere. * * * The Committee are prepared to act with decision, but are unwilling to be dragged into the business, and consider it their duty to keep as much in the back ground as possible, until compelled to take a part; but in regard to the three Parsees, the best course appears to be to send them by the first opportunity to Bombay. * * * In searching for precedents, the Committee perceive, in the Consultations of the 14th December 1780, that precisely the same view was taken by the Select Committee of that period as to the dangerous precedent of allowing the Chinese government to interfere in cases of homicide where their own subjects are not concerned.

III.

EVIDENCE, &c. as to the Powers of the Select Committee of Supracargoes at *Canton*, and of the *British* Superintendents.

EXTRACTS from Acts of Parliament relating to the East India Company.

(H.)—Act 26 Geo. 3, c. 57.

XXXII. And whereas sundry Acts of Parliament have been heretofore made, and are now in force, for securing the whole, sole, and exclusive trade in, to, and from the East Indies, and all places between the Cape of Good Hope and the Straits of Magellan, to the said United Company, by which said Acts, or some of them, the offenders against the same are made subject and liable to divers punishments, forfeitures, and penalties in the said Acts respectively mentioned, which offences may be prosecuted, and the said forfeitures and penalties sued for and recovered in some or one of His Majesty's courts of record at Westminster; and whereas it may be necessary and proper, in certain cases, that the said offences should be prosecuted, and the said forfeitures and penalties sued for and recovered in the courts of justice in the East Indies: Be it therefore enacted, that all offences which shall be committed after the 1st day of January 1787, against any law now in force for securing the exclusive trade in, to, and from the East Indies, and places aforesaid, to the said United Company; and all forfeitures and penalties to be incurred after the said 1st day of January 1787, for illicitly trading, or for being in the East Indies, or doing any other act against the said laws or statutes, or any of them, shall and may be prosecuted, sued for, and recovered in the Supreme Court of Judicature at Fort William, in Bengal, or in the respective Mayors' courts of Fort Saint George and Bombay, in like manner as the same can or may be prosecuted, sued for, and recovered in any of His Majesty's courts of record at Westminster; and it shall and may be lawful for the said respective courts in the East Indies to pass and give the like judgment in such prosecutions, actions, and suits as might be passed and given for the like matter, cause, or thing, in any of His Majesty's courts of record at Westminster, and to carry such judgments into execution, and to order any offender or offenders, after conviction for any such offence, to be sent and conveyed to Great Britain; anything contained in any of the said Acts to the contrary notwithstanding.

XXXIV. And be it further enacted, that the powers and authorities in and by the said Acts, and every or any of them, given, granted, or provided for taking, arresting, seizing, remitting, sending, or bringing to England any person or persons being in the East Indies, or in the limits or parts aforesaid, contrary to the provisions of the said Acts, or of this Act, and for seizing any ships, vessels, goods, or effects made liable to seizure by the said Company by any law now in force, shall and may be enforced and put in execution by, or by the order and authority of the Governor-General and Council of Bengal, or the President and Council of Fort St. George and Bombay respectively, or by any Resident at any other of the British settlements in the East Indies for the time being respectively, or by, or by the order and authority of the Company's Council of Supracargoes for the time being at the town or factory of Canton, within the said town or factory, and upon the river of Canton, and by such other person or persons as shall from time to time be specially deputed and authorized for that purpose by the Court of Directors of the said Company for the time being, in the name of the said Company.

(I.)—Act 33 Geo. 3, c. 52.

LXXVIII. And for the further encouragement of trade to the north-west coast of America and the islands adjacent, under the limitations contained in the Convention made by His Majesty with the King of Spain of the 28th day of October 1790, it may be expedient that ships fitted out for those parts should in certain cases be permitted by license from the said Company to proceed from the said coast and islands direct to the isles of Japan and the coast of Korea and Canton, there to dispose of their cargoes obtained on the said north-west coast of America, and to return from thence direct to the same north-west coast or islands adjacent, and there dispose of their returns in trade, the owners and commanders of such ships entering into such covenants with and giving such security to the said Company, and submitting to be bound by such rules and regulations as shall appear to be best adapted for preserving to the said Company the exercise and benefits of their commercial privileges, and conduce to the preservation of good order and regularity of the ships' companies, and their observance of the laws prescribed by the native states, during the continuance of such ships on the said coast of Japan, Korea, and in the river of Canton aforesaid: Be it therefore further enacted, that the Court of Directors of the said Company shall and they are hereby required, forthwith after the passing of this Act, to frame and lay before the Board of Commissioners for the Affairs of India, such rules and regulations as they shall think best

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adapted for the purposes aforesaid, and also the forms of such deeds of covenant or other securities as the said Court of Directors shall judge to be proper or necessary to be entered into or given for the due observance thereof by the owners and commanders of ships to be licensed as aforesaid, and that the said Board shall thereupon proceed to revise the same, and to give such orders and instructions to the said Directors in relation thereto as they shall think fit and expedient; and that the said owners and commanders conforming themselves to the terms and conditions which shall be so prescribed, shall have and be entitled to such license or licenses, and the said Court of Directors are hereby required to give the same accordingly, unless on any representation made by the said Directors to the said Board of Commissioners, containing any specific objections against the granting of any such license, the said Board shall order the same to be withheld, in which case it shall and may be lawful for the said Directors to withhold or refuse the same.

LXXIX. Provided always, and be it further enacted, that the said rules and regulations to be so made for the purposes aforesaid, or any deeds of covenant or other securities to be required to be entered into or given for the observance thereof, shall not extend to vest in any council of supracargoes or other officers of the said Company a greater power over any ships, or the commanders, officers or companies of the same, in the eastern seas or on the coasts of Japan, Korea, and China which they shall be permitted to visit, according to the tenor of such licenses, than such as can, shall, or may lawfully be exercised by the said council of supracargoes or other officers of the said Company, in or over the ships employed by or in the service of the said Company, and the commanders, officers, and men belonging thereto.

CXXIX. And whereas various statutes have been heretofore made for securing to the said United Company their sole and exclusive right of trading to the East Indies and parts aforesaid during the continuance of such sole and exclusive right, and to restrain all illicit and clandestine trade to, in, and from the East Indies and parts aforesaid; and whereas the limitations and provisions in this Act contained, concerning the future conduct of the said trade, require that some alteration should be made in the said statutes; and it may be convenient that such provisions as shall be deemed necessary for securing to the said Company the full benefit of such sole and exclusive right (subject to the provisions and limitations contained in this Act), and for restraining all clandestine and illicit trade in, to, and from the East Indies, and parts aforesaid, should be reduced into one Act of Parliament: Be it further enacted, that if any of the subjects of His Majesty, his heirs or successors, of or belonging to Great Britain or the islands of Guernsey, Jersey, Alderney, Sark or Man, or Faro Isles, or to any of His Majesty's colonies, islands, or plantations in America or the West Indies, other than such as by the said United Company shall be licensed or otherwise thereunto lawfully authorized, shall at any time or times before such determination of the said Company's whole and sole trade as hereinbefore limited, directly or indirectly sail to, visit, haunt, frequent, trade, traffick, or adventure to, in, or from the said East Indies, or other parts hereinbefore mentioned, contrary to the limitations and provisions of this Act, or the true intent and meaning thereof, all and every such offender or offenders shall incur the forfeiture and loss of all the ships and vessels belonging to or employed by such subjects respectively, with the guns, tackle, apparel, and furniture thereunto belonging, and also all the goods and merchandize laden thereupon, or which were or shall be sent, acquired, traded, trafficked, or adventured within the said East Indies or parts aforesaid, and all the proceeds and effects of such goods and merchandize, and double the value thereof; (to wit) one-fourth part of such forfeiture to such person or persons who shall seize, inform, or sue for the same, and the other three-fourth parts thereof to the use of the said United Company, they defraying thereout the charges of prosecution.

CXXX. And be it further enacted, that all and every subject and subjects of His Majesty, his heirs and successors, of or belonging to Great Britain or the islands, colonies, or plantations aforesaid, or any of them, who shall at any time or times, before such determination of the said United Company's whole and sole trade as is hereinbefore limited, go, sail, or repair to the East Indies or parts aforesaid, against any of the provisions of this Act, shall be deemed and accounted to have unlawfully traded and trafficked there, and all the ships, goods, and merchandize which shall be employed therein or found in his or their custody, or in the custody of any other person or persons by his or their employment, order, or procurement, shall and may be seized, and shall be forfeited, with double the value thereof; one-fourth of which forfeitures shall belong to the person or persons who shall seize, inform, or sue for the same, and three-fourths thereof shall be to the use of the said United Company, they thereout defraying the charges of prosecution.

CXXXI. And be it further enacted, that if any subject or subjects of His Majesty, his heirs or successors, of or belonging to Great Britain, or any other islands, colonies, or plantations aforesaid, not being lawfully licensed or authorized, shall at any time or times before such determination of the said Company's whole and sole trade as hereinbefore limited, directly or indirectly go, sail, or repair to, or be found in the East Indies, or any other of the parts aforesaid, all and every such person and persons are hereby declared to be guilty of a high crime and misdemeanor; and, being convicted thereof, shall be liable to such fine or imprisonment, or both fine and imprisonment, as the court in which such person or persons shall be convicted shall think fit; and in case of a fine, one moiety thereof shall belong to His Majesty, his heirs or successors, and the other moiety thereof to the said United Company, if they shall prosecute the said offence, or otherwise such moiety shall be to the use of such person or persons as shall prosecute the same.

CXXXII. And

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CXXXII. And be it further enacted, that at any time and times before such determination of the said Company's whole and sole trade as is hereinbefore limited, it shall and may be lawful to and for the said Company, and their successors, by and through such person or persons as is and are hereafter mentioned, to take, arrest, and seize, or cause to be taken, arrested, and seized, at any place or places within the East Indies, or parts aforesaid, all and every person and persons, being a subject or subjects of His Majesty, his heirs or successors, of or belonging to Great Britain, or to any of the islands, colonies, or plantations aforesaid, who shall go, sail, or repair to, or be or be found within the said East Indies, or parts aforesaid, against any of the provisions of this Act, and him or them to remit, and send, or bring to England, there to answer for his, her, or their offence, according to due course of law; and when such person or persons shall arrive in England, it shall and may be lawful to and for one or more of His Majesty's justices of the peace, and he and they are hereby authorized and required to commit all and every such person or persons to the next county gaol, there to remain until sufficient security be given, by natural born subjects or denizens, for the appearance of such person or persons in the court in which he or they shall or may be sued or prosecuted, or shall be under actual prosecution, in respect of such his or their offence, and for his or their not going out of court, or out of the kingdom, without the leave of such court.

CXXXIII. And be it further enacted, that the powers and authorities hereby given to the said Company, of taking, arresting, seizing, remitting, or sending to England any such person or persons as aforesaid, together with the power of seizing any ships, vessels, goods, merchandize and effects, by this Act made liable to seizure or forfeiture, shall and may be enforced and put into execution in the name of the said Company, by the order and authority of the Governor-General of Fort William, in Bengal, or the Governor of Fort St. George, and Governor of Bombay for the time being respectively, or by any chief officer of the said Company, resident at any other of the British settlements in the East Indies respectively, or by the order and authority of the said Company's council and supracargoes for the time being, at the town or factory of Canton, within the said town or factory, and upon the river of Canton, or other part of the coast of China, and by such other persons as shall be from time to time especially deputed and authorized for that purpose by the Court of Directors of the said United Company for the time being.

CXXXIV. And be it further enacted, that during such time as the said Company shall have such whole and sole trade as aforesaid, if any person or persons who shall have been dismissed from, or shall have voluntarily resigned the service of the said Company, or any free merchant, free mariner, or other person, whose covenants or agreements with the said Company shall be expired or have ceased, or whose license to go to, or traffic, trade, or reside within the East Indies, or parts aforesaid, shall have ceased and determined, shall be found in the East Indies, or parts and limits aforesaid, after the expiration of such time as shall be allowed by the respective governments or presidencies in India, wherein such person or persons shall be or be found, every such person and persons shall be deemed and taken, to all intents and purposes whatever, to have unlawfully traded in the said parts and limits contrary to this Act, and shall be subject to all the penalties, forfeitures, and provisions of this Act, against persons unlawfully going to, or trafficking, trading, or adventuring, or found in any place within the said parts and limits accordingly.

CXLVI. And be it further enacted, that * * *, and also so much of an Act made in the same twenty-sixth year of the reign of His present Majesty, for the further regulation of the trial of persons accused of certain offences committed in the East Indies, and for other the purposes in the title of the said Act mentioned, as makes offences against any law for securing such exclusive trade as aforesaid to the said United Company, and all forfeitures and penalties for illicitly trading, or for being in the East Indies, prosecutable, or makes any seizure of any ship or goods within the limits of the said exclusive trade cognizable in the Supreme Court of Judicature at Fort William, in Bengal, or in the respective Mayors' courts of Fort St. George and Bombay, or as relates to persons whose licenses to go to, or trade, or reside within the limits of the said exclusive trade, shall have ceased and determined, or who shall have been dismissed from, or have resigned the said Company's service, or as relates to, or as makes the powers of arresting, seizing, remitting, or sending to England, any person or persons in the East Indies, or limits aforesaid, or for seizing any ships or goods liable to seizure by the said Company, enforceable and executable by the Governor-General and Council of Fort William, in Bengal, or the Presidents and Councils of Fort St. George and Bombay respectively, or the other person or persons therein mentioned, shall be, and are, and is hereby repealed and made void.

(K.)—Act 53 Geo. 3, c. 155.

II. And be it further enacted, that the sole and exclusive right of trading, trafficking, and using the business of merchandize in, to, and from the dominions of the Emperor of China, and the whole, sole and exclusive right of trading and trafficking in tea in, to, and from all islands, ports, havens, coasts, cities, towns, and places between the Cape of Good Hope and the Straits of Magellan, in the same manner as the same rights now are or lawfully may be exercised or enjoyed by the said United Company by virtue of an Act or charter now in force, but not further or otherwise, and all and singular the profits, benefits, advantages, privileges,

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privileges, franchises, abilities, capacities, powers, authorities, rights, remedies, methods of suit, penalties, forfeitures, disabilities, provisions, matters, and things whatsoever granted to or vested in the said Company by the said Acts of the 33d year of His present Majesty, or either of them, for and during the term limited by the said Act of the Parliament of Great Britain, and all other the enactments, provisions, matters, and things contained in the said Acts of the 33d year of His present Majesty, so far as the same or any of them are in force and not repealed by or repugnant to this Act, shall continue and be in force during the further term hereby granted to the said Company, subject to such alterations therein as may be made by any of the enactments, provisions, matters, and things in this Act contained.

XL. And be it further enacted, that if any of the subjects of His Majesty, his heirs or successors, of or belonging to any of His Majesty's dominions situate without the East Indies and limits of the said Company's charter, other than such as shall be licensed by the said United Company or otherwise thereunto lawfully authorized, shall at any time before the determination of the further term hereby granted to the said Company, directly or indirectly sail to, visit, haunt, frequent, trade, traffic, or adventure to, in, or from the East Indies or parts aforesaid, or go, sail, or repair thereto, or be found therein in any other manner than is prescribed or allowed by the provisions of this Act, and the terms and conditions of any license or certificate to be granted by virtue thereof, all and every such person and persons shall be deemed and taken to have unlawfully traded and trafficked there; and all such persons, and all ships and vessels found in the custody of any such person or persons, or engaged or concerned in such unlawful trade or traffic, and the owners, masters, and crews thereof, and all goods, merchandize, treasure, and effects shipped or laden thereon, or taken out of the same, or found in the custody of any such person or persons, shall be subject and liable to all such and the like pains, penalties, forfeitures, disabilities, and methods of suit as are contained in the said Acts of the 33d year of His present Majesty, or either of them, or in any Act or Acts now in force, and which pains, penalties, forfeitures, disabilities, and methods of suit, were enacted for the purpose of securing to the said Company the sole and exclusive right of trading to the East Indies and other parts within the limits of their charter, during the continuance of such sole and exclusive right, and of restraining clandestine and illicit trade in, to, and from the East Indies and parts aforesaid; and all such and the like powers, provisions, clauses, matters, and things as are contained in the said Act of the 33d year of His present Majesty, or either of them, or in any Act or Acts now in force, and which were enacted for the purpose aforesaid, shall be deemed and taken to be in force and to apply to all such unlawful trade and traffic as aforesaid contrary to the provisions of this Act, or of the terms and conditions of any license or certificate to be granted by virtue thereof, and shall be put in execution during the further term hereby granted to the said Company, for the purpose of preventing any such unlawful trade or traffic, as fully and effectually as if the same powers, provisions, clauses, matters, and things were severally repeated at large and re-enacted in the body of this Act, and applied to and for the purpose last aforesaid.

(L.)—FORM of the East India Company's License to Country Ships trading between Calcutta and Canton, as settled in 1820.

To whomsoever, subjects of His Majesty George the Third, by the grace of God of the United Kingdom of Great Britain and Ireland, King, Defender of the Faith, and so forth, and to all others whom these presents may concern; His Excellency the Governor-General of and for the Presidency of Fort William, in Bengal, in Council, acting for and on behalf of the United Company of Merchants of England trading to the East Indies, sends greeting.

Whereas the ship , burthen about tons, commanded by , belonging to , is bound on a voyage, in ballast, to the port of Canton, in China, and back to the port of Calcutta; and the said owner has requested the license of the United Company of Merchants of England to be granted for that purpose, and to allow tea not exceeding in quantity chests thereof, to be shipped on board the said ship, in the said port of Canton, in China, to be delivered on shore, in and at the port of Calcutta, or on shore, in and at any intermediate port or ports in the course of the said voyage from the said port of Canton to Calcutta: Now know ye, that, by virtue of all and every the powers in us vested, we do hereby grant a license for and in the name of the said United Company to the said ship to proceed upon and throughout the said voyage to the said port of Canton, in China, and back again, and to take on board the said ship in the said port of Canton, in China, and not elsewhere, tea to be packed, except as to so much thereof as may be required to be loose for the use of the said ship, in chests, half-chests, or quarter-chests, not exceeding in quantity chests thereof, and to deliver on shore, in and at the said port of Calcutta, or on shore in and at any intermediate port or ports in the course of the said voyage, and not elsewhere, all such tea, together with all other cargo which shall have been shipped or laden on board the said ship at the port of Canton aforesaid; provided and upon condition that this license shall cease and be void, if and so soon as any foreign opium, or other opium than such opium as shall have been sold at the public sales of the said United Company in Bengal, shall be laden with the knowledge or concurrence of the master or commander thereof on board the said ship, either in Bengal or in any part of the said voyage to and from China, or be imported on board of the said ship with the knowledge or concurrence of the

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the master or commander thereof into China; or if the master or commander of the said ship for the time being, or other persons acting as supracargo thereof, shall be guilty of any breach of any of the regulations established by or on the part of the said United Company in China, or shall make any opposition to or act in disobedience to any particular orders or instructions which shall or may from time to time be given in China by any of the supracargoes of the said United Company there, although such order or orders should amount to a requisition for the said master or commander, or supracargo, or either of them, to quit China with the said vessel and goods. And we do hereby require and command all persons within or belonging to this government under our jurisdiction, and we do desire all persons that are subjects, friends, and allies to His Majesty George the Third, by the grace of God of the United Kingdom of Great Britain and Ireland, King, Defender of the Faith, and so forth, to suffer the ship to pass with her company, goods, and merchandize, without any seizure or molestation whatever, provided this license and pass be in force; which is to cease and determine as aforesaid, or otherwise, at the expiration of 12 months, or return of the said ship to the port of Calcutta, whichever shall first happen.

Given under our hands, and the large seal of the said Company of Merchants of England trading to the East Indies, at Fort William, this day of in the year of our Lord .

(Signed by the Governor-General and Members of Council.)

(Registered in the Secretary's Office, and countersigned by the Secretary.)

(L. 2.)—Form of East India Company's License, granted at Bombay in 1821.

To whomsoever, subjects of His Majesty George the Fourth, by the grace of God of the United Kingdom of Great Britain and Ireland, King, Defender of the Faith, and so forth, and to all others whom these presents may concern; the Honourable Mountstuart Elphinstone, Governor of and for the Presidency of Bombay, in Council, acting for and on behalf of the United Company of Merchants of England trading to the East Indies, sends greeting.

Whereas the ship Glenelg, burthen about 800 tons and $\frac{24}{94}$ tons, commanded by John Gover, belonging to Messrs. Remington, Crawford & Co. is bound on a voyage with a cargo of cotton and sundries to Calcutta, and from thence to the port of Canton in China, and back to the port of Bombay; and the said Messrs. Remington, Crawford & Co. requested the license of the United Company of Merchants of England to be granted for that purpose, and to allow tea, not exceeding in quantity 400 chests thereof, to be shipped on board of the said ship, in the said port of Canton in China, to be delivered on shore, in and at the port of Bombay, or on shore in and at any intermediate port or ports, in the course of the said voyage from the port of Canton to Bombay: Now know ye, that by virtue of all and every the powers in us vested, we do hereby grant a license for and in the name of the said United Company, to the said ship to proceed upon and throughout the said voyage to the said port of Canton in China, and back again, and to take on board of the said ship in the said port of Canton in China, and not elsewhere, tea to be packed, except as to so much thereof as may be required to be loose for the use of the said ship, in chests, half-chests, or quarter-chests, not exceeding in quantity 400 chests thereof, and to deliver the same on shore in and at the said port of Bombay, or on shore in and at any intermediate port or ports in the course of the said voyage, and not elsewhere; provided and upon condition, that this license shall cease and be void, if and as soon as any opium other than such opium as shall have been sold at the public sale or sales of the said United Company in Bengal or Bombay shall be laden, with the knowledge or connivance of the master or commander thereof, on board of the said ship, either in Bombay or in any part of the said voyage to or from China, or be imported on board of the said ship with the knowledge or connivance of the master or commander thereof into China; or if the master and commander of the said ship for the time being, or other person acting as supracargo thereof, shall be guilty of any breach of any of the regulations established by or on the part of the said United Company in China, or shall make any opposition to, or act in disobedience to any particular orders or instructions which shall or may from time to time be given in China by any of the supracargoes of the said United Company there, although such order or orders should amount to a requisition for the said master or commander, or supracargo, or either of them, to quit China with the said vessel and goods; and we do hereby require and command all persons within or belonging to this Government, under our jurisdiction, and we do desire all persons that are subjects, friends, and allies to His Majesty George the Fourth, by the grace of God of the United Kingdom of Great Britain and Ireland, King, Defender of the Faith, and so forth, to suffer the said ship Glenelg to pass with her company, goods, and merchandize, without any let, seizure, or molestation whatever, provided this license and pass be in force, which is to cease and determine as aforesaid, or otherwise, at the expiration of 12 months, or on the return of the said ship to the port of Bombay, whichever shall first happen. Given under our hands, and the large seal of the said Company of Merchants in England

(L.S.)

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England trading to the East Indies at Bombay, this 13th day of June, in the year of our Lord 1821.

M. Elphinstone.
C. A. Colvill.
A. Bell.
G. L. Prendergast.

Registered in the Secretary's Office, by order of the Honourable the Governor in Council.

Bombay, the 13th June 1821.

J. Benoni,
Chief Secretary to the Government.

(M.)—EXTRACTS from the Evidence of John Stewart, Esq. before the Select Committee of the House of Lords, 15th June 1830. (Lords' Report, 1830.—Parliamentary Paper, No. 646, p. 393–404).

5442. You have been frequently in China, have you not?—I have.

5443. In what situation have you been there?—I have been there in the situation of mate and commander of a ship, and agent for the transaction of business connected with the ship I commanded. I have also had other ships with their cargoes consigned to me in China, whilst I was there.

5578. In the event of opening the trade with China to all British subjects do you think it would be necessary to establish some public authority at Canton, which should have the power of controlling the conduct of all British merchants and subjects trading to that port?—Yes, I should think that essentially necessary to the preservation of the trade; I state that from my own knowledge of the peculiarities of the Chinese, and the necessity of controlling Europeans visiting Canton.

5579. In what manner would you give to that public officer, so established at Canton, an effectual control over the conduct of British subjects; merely by a change in the act of the Legislature, or would you give him some essential authority?—I conceive the authority now vested by the Act of Parliament in the East India Company's supracargoes is quite sufficient.

5581. What powers have the supracargoes?—They have very extensive powers; they are empowered to remove from Canton, or from any of the islands on the coast of China, any British subject whenever they think it proper to do so; and they are entitled to call upon the commander of any British ship at Canton for physical force to enable them to carry their determination into effect. They can also interdict the whole British trade at any time if they think proper. In fact, every British ship going to Canton may be controlled by the select committee, and not only the ship and cargo, but the crew; they are obliged to comply with any orders the select committee may issue to them.

5582. Do you think it necessary this power should be continued, or other powers substituted for it?—I think it necessary a power of that nature should be retained.

(N.)—EXTRACTS from Evidence before the Select Committee of the House of Commons on East India Affairs.—Printed with their Second and Third Reports, 1830.

No. 1.—Evidence of W. S. Davidson, Esq. (Second Report, 1830, Evidence.—Parliamentary Paper, No. 644, p. 171.)

2625. How often have you known the trade interrupted by the English coming into collision with the public authorities there?—Two occasions I have a vivid recollection of. The first occasion was in 1814; it was the resistance on the part of the supracargoes to an attempt made by the Government, in conjunction with the Hong merchants, to make the monopoly, which they possess, much more close and injurious to the English trade than it had ever been before.

2628. What steps did the Company take in resisting those demands?—They resisted those demands by stopping not only their own trade, but all the country trade.

2629. How long did they stop that trade?—As well as I can recollect, I should say about two months.

(N. 2. c.)—EVIDENCE of John Stewart, Esq. M. P., and a Member of the Committee. (Third Report, 1830, Evidence.—Parliamentary Paper, No. 644, p. 324.)

3882. *a.* From what you know of the character of the Chinese government, would you contemplate the opening of the trade to Canton without some established board or authority to represent the British Government there?—I am of opinion that if the trade were open, it would

would be necessary that a body should be constituted at Canton, with ample powers to exercise a most rigid and effectual control over every British subject going to China.

3883. *a.* Do not the Select Committee of the Company at Canton now exercise that authority over all their officers and seamen?—They do; they have ample power of doing so by Act of Parliament.

3884. *a.* Do you contemplate any greater authority to be exercised over Englishmen generally, than the Company have now over their own servants?—No; I should think that no greater authority would be requisite. I think their powers are very ample, and they extend to all British subjects, as well as to the servants of the Company.

(O.)—EXTRACTS from the Secret Consultations of the Select Committee of Supracargoes at Canton, printed with the 1st Appendix to the Third Report of the Committee of the House of Commons, 1831.

(O. 1.)—EXTRACT from an Address from the Select Committee to the Hoppo of Canton, recorded in the Secret Consultations of the 25th December 1829. (Third Report, 1831, App. No. I.—Parliamentary Paper, No. 320, p. 595.)

"WE, the President and Select Committee, to whom is intrusted the management of all the various interests of the East India Company, as well as a general superintendence over all British trade in China, take leave to present to your Excellency our congratulations on your appointment to the important and weighty charge which the Emperor has conferred on you."

(O. 2.)—EXTRACT from an Address to the Emperor of China, recorded in the Secret Consultations of 11th January 1830. (Third Report, Commons, 1831, App. No. I.—Parliamentary Paper, 320-A. p. 597.)

"WE, the President and Select Committee appointed by authority to conduct the affairs of the English nation in China, approach with reverence to lay before your Imperial Majesty a statement of wrongs and grievances under which we suffer from the harsh and unjust treatment of the officers of the Canton government."

(O. 3.)—PUBLIC NOTICE to British Subjects, recorded on Secret Consultations of 11th January 1830. (Third Report, 1831, App. No. I.—Parliamentary Paper, 320-A. p. 602.)

NOTICE is hereby given, that we, the President and Select Committee of supracargoes, being duly authorized by Acts of the British Legislature to superintend all the affairs of the English nation in China, do hereby interdict intercourse between merchant vessels trading under the British flag and the port of Canton, and prohibit all such vessels from proceeding in the channel towards the Bocca Tigris, beyond the island Lintin.

We further give warning that an infraction of this prohibitory notice will render the party so offending liable to the penalties which have been attached by Acts of Parliament to disobedience of orders of the representatives of the East India Company in China, upon all points connected with the trade to the port of Canton.

Macao, 11 January 1830. (signed) *By Committee.*

(P.)—EXTRACT from a Letter in the Public Department from the Select Committee at Canton to the Court of Directors, dated 27th July 1823. (Third Report, 1831, App. No. II.—Parliamentary Paper, 320-B. p. 137.)

18. WE have the honour to enclose to your Honourable Court three edicts, received from the different officers of the Canton government, on the subject of the ships remaining on the coast laden with opium, and our reply thereto. We were desirous to avoid the slightest implication on the part of the Honourable Company, and at the same time not to oppose unnecessary impediments to the trade; the arguments we have taken up, although specious, cannot be maintained, should the Viceroy place any obstacles to our commercial transactions dependent upon the departure of the vessels in question.

19. In the margin we have noted the number and names of the British vessels, and we are in hopes the Government will continue for some time silent and inoffensive. In April last, however, the Viceroy resorted to the usual measure of exacting the responsibility of the trade, by preventing the departure of the Pascoa (the only British vessel then at

III. Powers of Supracargoes at Canton, and British Superintendents.

Whampoa), until the opium vessels departed from their places of resort on the coast; and should he in the present season adopt a similar line of conduct in regard to the Honourable Company's ships, and our remonstrances prove of no effect, in obedience to the orders of your Honourable Court to that purport, we must require the departure of those vessels, so long as they afford any impediment to the commercial proceedings of the Honourable Company.

(Q.)—EXTRACTS from the Act 3 & 4 Will. 4, c. 93, intituled, "An Act to regulate the Trade to China and India."

I. "Whereas the exclusive right of trading with the dominions of the Emperor of China, and of trading in tea, now enjoyed by the United Company of Merchants of England trading to the East Indies, will cease from and after the 22d day of April 1834 * * *.

V. "And whereas it is expedient for the objects of trade and amicable intercourse with the dominions of the Emperor of China, that provision be made for the establishment of a British authority in the said dominions: Be it therefore enacted, that it shall and may be lawful for His Majesty, by any commission or commissions, or warrant or warrants under his Royal sign manual, to appoint not exceeding three of His Majesty's subjects to be superintendents of the trade of His Majesty's subjects to and from the said dominions, for the purpose of protecting and promoting such trade; and by any such commission or warrant as aforesaid, to settle such gradation and subordination among the said superintendents, (one of whom shall be styled the chief superintendent,) and to appoint such officers to assist them in the execution of their duties, and to grant such salaries to such superintendents and officers, as His Majesty shall from time to time deem expedient.

VI. "And be it enacted, that it shall and may be lawful for His Majesty by any such order or orders, commission or commissions as to His Majesty in Council shall appear expedient and salutary, to give to the said superintendents, or any of them, powers and authorities over and in respect of the trade and commerce of His Majesty's subjects within any part of the said dominions, and to make and issue directions and regulations touching the said trade and commerce, and for the government of His Majesty's subjects within the said dominions; and to impose penalties, forfeitures, or imprisonments for the breach of any such directions or regulations, to be enforced in such manner as in the said order or orders shall be specified; and to create a court of justice, with criminal and admiralty jurisdiction, for the trial of offences committed by His Majesty's subjects within the said dominions and the ports and havens thereof, and on the high seas within 100 miles of the coast of China; and to appoint one of the superintendents hereinbefore mentioned to be the officer to hold such court, and other officers for executing the powers thereof; and to grant such salaries to such officers as to His Majesty in Council shall appear reasonable."

(R.)—ORDER of the King in Council, establishing Regulations for the government of the King's Subjects at Canton, dated 9th December 1833.

At the Court at Brighton, the 9th of December 1833.

Present:—The King's Most Excellent Majesty in Council.

Whereas by a certain Act of Parliament, made and passed in the 3d and 4th years of His Majesty's reign, intituled, "An Act to regulate the Trade to China and India," it is, amongst other things, enacted, that it shall and may be lawful for His Majesty, by any such order or orders as to His Majesty in Council shall appear expedient and salutary, to give to the superintendents in the said Act mentioned, or any of them, powers and authorities over and in respect of the trade and commerce of His Majesty's subjects within any part of the dominions of the Emperor of China, and to make and issue directions and regulations touching the said trade and commerce, and for the direction of His Majesty's subjects within the said dominions, and to impose penalties, forfeitures, or imprisonments for the breach of any such directions or regulations, to be enforced in such manner as in the said order or orders shall be specified; and whereas the officers of the Chinese government resident in or near Canton, in the empire of China, have signified to the supracargoes of the East India Company at Canton the desire of that government, that effectual provision should be made by law for the good order of all His Majesty's subjects resorting to Canton, and for the maintenance of peace and due subordination amongst them; and it is expedient that effect should be given to such reasonable demands of the said Chinese government. Now, therefore, in pursuance of the said Act, and in execution of the powers thereby in His Majesty in Council in that behalf vested, it is hereby ordered by His Majesty, by and with the advice of His Privy Council, that all the powers and authorities which on the 21st day of April 1834 shall by law be vested in the supracargoes of the United Company of Merchants trading to the East Indies, over and in respect of the trade and commerce of His Majesty's subjects at the port of Canton, shall be, and the same are hereby vested in the superintendents for the time being, appointed under and by virtue of the said Act of Parliament; and that all regulations which on the said 21st day of April 1834 shall be in force touching the said trade and commerce, save so far as the same are repealed or abrogated by the said

Act

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Act of Parliament, or by any commission and instructions or Orders in Council issued or made by His Majesty in pursuance thereof, or are inconsistent therewith, shall continue in full force and virtue; and that all such penalties, forfeitures, or imprisonments as might on the said 21st day of April 1834 be incurred or enforced for the breach of such then existing regulations, shall thenceforth be in like manner incurred and enforced for the breach of the same regulations, so far as the same are hereby revived and continued in force as aforesaid; and that all such penalties, forfeitures, or imprisonments when so incurred, shall be enforced in manner following; that is to say, either by such ways and means by which the same might, on the said 21st of April 1834, have been lawfully enforced; or by the sentence and adjudication of the court of justice established at Canton aforesaid, under and in pursuance of the said Act of Parliament: provided also, and it is further declared, that the regulations herein contained are and shall be considered as provisional only, and as intended to continue in force only until His Majesty shall be pleased to make such further or other order in the premises in pursuance of the said Act of Parliament, as to His Majesty; with the advice of his Privy Council, may hereafter seem salutary or expedient, in reference to such further information and experience as may hereafter be derived from the future course of the said trade.

And it is hereby further ordered, that the said superintendents shall compile and publish, for the information of all whom it may concern, the several regulations hereby established and confirmed as aforesaid, and that such publication, when so made with the authority of the superintendents, shall for all purposes be deemed and taken to be legal and conclusive evidence of the existence and of the terms of any such regulation. And it is further ordered, that the said superintendents shall, on the arrival of any British ship or vessel at the port of Canton aforesaid, cause to be delivered to the master, commander, or other officer, together with every other person arriving in or being on board any such ship, shall be bound and is hereby required to conform himself to such regulations. And the Right Honourable Viscount Palmerston, one of His Majesty's Principal Secretaries of State, is to give the necessary directions herein accordingly.

(signed) *C. C. Grevill*

PAPERS DELIVERED IN BY W. JARDINE, Esq.

(1.)—ORDER IN COUNCIL

(Presented to Parliament by Command of Her Majesty, April 1840.)

At the Court at Buckingham Palace, the 3d day of April 1840,

Present:—The Queen's Most Excellent Majesty in Council.

Order in Council, 3 April 1840.

Her Majesty having taken into consideration the late injurious proceedings of certain officers of the Emperor of China towards officers and subjects of Her Majesty; and Her Majesty having given orders that satisfaction and reparation for the same shall be demanded from the Chinese Government; and it being expedient that, with a view to obtain such satisfaction and reparation, ships and vessels and cargoes, belonging to the Emperor of China and to his subjects, shall be detained and held in custody; and, that if such reparation and satisfaction be refused by the Chinese Government, the ships and vessels and cargoes so detained, and others to be thereafter detained, shall be confiscated and sold, and that the proceeds thereof shall be applied in such manner as Her Majesty may be pleased to direct: Her Majesty, therefore, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, that the commanders of Her Majesty's ships of war do detain and bring into port, all ships, vessels, and goods belonging to the Emperor of China, or his subjects, or other persons inhabiting within any of the countries, territories, or dominions of China; and, in the event of such reparation and satisfaction as aforesaid having been refused by the Chinese Government, to bring the same to judgment in any of the courts of Admiralty, within Her Majesty's dominions: and to that end, Her Majesty's Advocate-general with the Advocate of the Admiralty, are forthwith to prepare the draft of a Commission, and present the same to Her Majesty at this Board, authorizing the Commissioners for executing the office of Lord High Admiral to will and require the High Court of Admiralty of Great Britain, as also the several courts of Admiralty within Her Majesty's dominions, to take cognizance of, and judicially proceed upon all, and all manner of captures, seizures, prizes, and reprisals of all ships, vessels, and goods, that are, or shall be taken, and to hear and determine the same according to the course of Admiralty, and the laws of nations, to adjudge and condemn all such such ships, vessels, and goods as shall belong

Order in Council, 3 April 1840.

belong to China, or subjects of the Emperor of China, or to any others inhabiting within any of his countries, territories, or dominions; and that such powers and clauses be inserted in the said commission as have been usual, and are according to former precedents; they are, likewise, to prepare, and lay before Her Majesty at this Board, a draft of such instructions as may be proper to be sent to the courts of Admiralty in Her Majesty's foreign Governments and Plantations for their guidance herein: and the said Commissioners are to give the necessary directions herein accordingly.

C. C. Greville.

(2.)—ORDER IN COUNCIL.

(Presented to Parliament by Command of Her Majesty, April 1840.)

At the Court at Buckingham Palace, the 4th day of April 1840.

Present:—The Queen's Most Excellent Majesty in Council.

Order in Council, 4 April 1840.

WHEREAS there was this day read at the Board the annexed draft of a Commission authorizing the Commissioners for executing the office of Lord High Admiral of Great Britain, to will and require the several courts of Admiralty to take cognizance of, and judicially proceed upon all captures, seizures, prizes, and reprisals that have been or shall be made of ships or vessels belonging to the Emperor of China or his subjects; Her Majesty taking the same into consideration, was pleased, by and with the advice of Her Privy Council, to approve thereof; and to order, as it is hereby ordered, that the Right Honourable Viscount Palmerston, one of Her Majesty's Principal Secretaries of State, do cause the said Commission to be prepared for Her Majesty's signature, with a proper Warrant for the immediate passing the same, under the Great Seal of the United Kingdom of Great Britain and Ireland.

(signed) *C. C. Greville.*

VICTORIA R.

VICTORIA, by the Grace of God Queen of the United Kingdom of Great Britain and Ireland, Defender of the Faith, &c. &c. &c. to Our right trusty and right well-beloved Cousin and Councillor, Gilbert, Earl of Minto, Knight Grand Cross of the most Honourable Military Order of the Bath; Our trusty and well-beloved Sir Charles Adam, Knight Commander of the most Honourable Military Order of the Bath, Vice-Admiral of the Blue Squadron of Our Fleet; Sir William Parker, Knight Commander of the most Honourable Military Order of the Bath, Rear-Admiral of the White Squadron of Our Fleet; Sir Edward Thomas Troubridge, Baronet, Captain in Our Navy; Sir Samuel John Brooke Pechell, Baronet, Captain in Our Navy; and Archibald Primrose, Esquire (commonly called Lord Dalmeny); Our Commissioners for executing the office of Lord High Admiral of Our United Kingdom of Great Britain and Ireland, and the Dominions thereunto belonging, and to Our Commissioners for executing that office for the time being, greeting: Whereas We have taken into consideration the late injurious proceedings of certain officers of the Emperor of China towards certain of Our officers and subjects; and whereas We have given orders that satisfaction and reparation for the same shall be demanded from the Chinese Government; and whereas it is expedient, with the view to obtain such satisfaction and reparation, that ships and vessels and cargoes belonging to the Emperor of China and to his subjects, shall be detained and held in custody; and if such reparation and satisfaction be refused by the Chinese Government, the ships, vessels, and cargoes so detained, and others to be thereafter detained, shall be confiscated and sold, and that the proceeds thereof shall be applied in such manner as We may hereafter be pleased to direct: We, therefore, are pleased, by and with the advice of Our Privy Council, to order that the commanders of Our ships of war do detain and bring into port all ships, vessels, and goods belonging to the Emperor of China or his subjects, or other persons inhabiting within any of the countries, territories, or dominions of China; and in the event of such reparation and satisfaction as aforesaid having been refused by the Chinese Government, to bring the same to judgment in any of the courts of Admiralty within our dominions: These are therefore to authorize, and We do hereby authorize and enjoin you, Our said Commissioners, now and for the time being, or any three or more of you, to will and require Our High Court of Admiralty of England, and the Lieutenant and Judge of the said court, and his surrogate or surrogates, and also the several courts of Admiralty within Our dominions, which shall be duly commissioned, and they are hereby authorized and required, to take cognizance of, and judicially to proceed upon all and all manner of captures, seizures, prizes, and reprisals of all ships, vessels, and goods already seized and taken, and which hereafter shall be seized and taken, and hear and determine the same, according to the course of Admiralty, and the laws of nations; and to adjudge and condemn all such ships, vessels, and goods as shall belong to China, or subjects of the Emperor of China, or to any others inhabiting

inhabiting within any of His countries, territories, or dominions. In witness whereof, We have caused the Great Seal of Our United Kingdom of Great Britain and Ireland to be affixed to these presents, which We have signed with Our Royal Hand. Order in Council, 4 April 1840.

Given at Our Court at Buckingham Palace, the 4th day of April, in the year of Our Lord 1840, and in the third year of Our reign.

(3.)—CLAIMS FOR INDEMNITY FOR OPIUM SURRENDERED.

Her Britannic Majesty's Government,

Dr to *Jardine, Matheson & Co.*

Claims for Indemnity for Opium surrendered.

For Indemnity for the undermentioned Opium surrendered for the service of Her Majesty's Government to the Chief Superintendent of the Trade of British Subjects in China, in obedience to his requisition of 27 March 1839.

		Rs.
306 chests Patna opium, received 2 March 1839 per barque Red Rover, amounting as per accompanying invoice to Company's rupees		270,332
141 chests ditto, received 16 March, per Ann		124,567
447 chests.	Company's Rupees	394,899

			Span. Dols.
206 rupees, per 100 dollars, the exchange at Bombay on China			191,698 54
CHARGES.			
Freight, at $ 16 per ch.	7,152	00	
Demurrage and ship-room, 1 mo. at $ 1 per c.	447		
Insurance, at $ 201,150, 1/3 per c.	672	50	
Cunsha, or delivery fee, $ 5 per ch.	2,235		
Interest on $ 191,698 54 for 2. 22 days, from 27 March to this date, at 1 per cent. per mo.	5,230	98	
			15,737 48
		$	207,436 02
Our commission, $ 207,436 02, 3 per c.			6,223 08
Spanish Dollars			213,659 10
Exchange 5/ per dollar		Sterling	53,414 15 6

(Errors excepted).

Macao, 18 June 1839. (signed) *Jardine, Matheson & Co.*

Claims for Indemnity for Opium surrendered.

No. 181.—Duplicate.

INVOICE of 306 chests Patna Opium, shipped per Red Rover, *Wright*, for Lintin, and consigned to Messrs. *Jardine, Matheson & Co.* on their account and risk.

J.M. & Co. P. 1 a' 306.	306 chests Patna opium, at 837/ per chest -	- - -	256,122 - -
	CHARGES.		
	To paid for packing, marking, and shipping -	306 - -	
	To paid insurance on Co. rs. 299,880, at 2 ½ per cent. and policy - - - - -	7,501 - -	
	To paid commission on Co. rs. 256,122, at 2 ½ per cent. - - - - - - - -	6,403 - -	
			14,210 - -
	Cash this day, Co's. Rs. - - -		270,332 - -

(E. E.) (signed) *Lyall, Matheson & Co.*

Calcutta, 9 January 1830.

Certified that the above-mentioned opium has been surrendered by us to H. M. Chief Superintendent of the trade of British subjects in China, for the service of Her Britannic Majesty, in obedience to his requisition of 27 March 1839.

Macao, 10 June 1839. (signed) *Jardine, Matheson & Co.*

No. 210.—Duplicate.

INVOICE of 141 chests Patna Opium, shipped per Ann, Captain *Guy*, for Lintin, and consigned to Messrs. *Jardine, Matheson & Co.* on their account and risk.

J.M. & Co. P. 307 a' 447.	141 chests Patna opium, at 837/ per c. -	- - -	118,017 - -
	CHARGES.		
	To paid packing, marking, and shipping -	141 1 3	
	To paid insurance on Co.'s Rs. 138,180, at 2 ½ per cent. and policy - - - - -	3,458 8 -	
	To paid commission on Co.'s Rs. 118,017, at 2½ per cent. - - - - - - - -	2,950 6 9	
			6,550 - -
	Cash 10 instant Company's Rupees - -		124,567 - -

(E. E.) (signed) *Lyall, Matheson & Co.*

Calcutta, 23 January 1839.

Certified that the above-mentioned opium has been surrendered by us to H. M. Chief Superintendent of the trade of British subjects in China, for the service of Her Britannic Majesty, in obedience to his requisition of 27 March 1839.

(signed) *Jardine, Matheson & Co.*

Macao, 10 June 1839.

Claims for Indemnity for Opium surrendered.

Her Britannic Majesty's Government,

Dr to *Jardine, Matheson & Co.*

For Indemnity for the undermentioned Opium surrendered for the service of Her Majesty's Government, to the Chief Superintendent of the trade of British subjects in China, in obedience to his requisition of 27 March 1839.

71 Chests of Malwa Opium received 4 September 1838, per ship Vansittart, amounting as per accompanying invoice to Company's Rupees		67,470 2 40
At 206 rupees per 100 dollars, the exchange at Bombay on China, Spanish dollars		32,752 42
CHARGES.		
Insurance to China $35,000, 2 ½ per	$ 878	
Freight at $ 7 per c.	497	
Demurrage and ship-room, 2 mos. at 1 per c.	142	
Insurance $ 35,000, at 1/3 per pm. 5 ms.	585 30	
Cunsha, or delivery fee, at $ 5 per c.	355	
Interest 7 months, at 1 per ct. pm.	2,292 64	
		4,749 94
		37,502 36
Our Commission $ 37502 36 at 3 per c.		1,125 06
Spanish Dollars		38,627 42
Exchange at 5/ per dollar — Sterling		9,656 17 0

(Errors Excepted.)

Macao, 18 June 1839. (signed) *Jardine, Matheson & Co.*

INVOICE of 71 Chests of Malwa Pass Opium, shipped by *Remington & Co.* at Bombay, on board the ship Vansittart, Capt. *McQueen*, bound to Lintin, consigned to, and on account and risk of, Messrs. *Jardine, Matheson & Co.* of Canton, being marked and numbered as per margin.

C.		
	MALWA PASS OPIUM.	
0. 352 a' 378	27 chests not repacked after the inspector's examination.	
1,864 a' 1,883	20 chests repacked, good shape.	
1,884 a' 1,897	14 — — not so good shape.	
1,898 a' 1,903	6 — — good shape.	
1,926 a' 1,928	3 — — not good shape.	
1,929 a'	1 — — ditto, containing 133 lbs.	
	71 chests, at Rs. 920 per chest — *Rs.*	65,320 0 0
	CHARGES.	
	Hamallage and boat hire — *Rs.* 27 0 0	
	Repacking on 44 chests, including nails, tape, wax, &c. — 22 0 0	
	Inspector's fee for examining the quality at Rs. 2 per chest — 142 0 0	
	Bazar brokerage, on Rs. 65,320 at ½ per ct. — 326 2 40	
	Commission on ditto, 2 ½ per ct. — 1,633 0 0	
	Freight at $ 7 per chest, payable in China as per bill of lading.	
		2,150 2 40
	Rupees	67,470 2 40

(Errors Excepted.)

Bombay, 7 July 1838. (signed) *Remington & Co.*

Certified that the within-mentioned opium has been surrendered by us to Her Majesty's Chief Superintendent of the trade of British subjects in China, for the service of Her Britannic Majesty, in obedience to his requisition of 27 March 1839.

Macao, 10 June 1839. (signed) *Jardine, Matheson & Co.*

(4.)—PURCHASES OF OPIUM.

Purchases of Patna Opium.

(A.)—STATEMENT of PURCHASES of PATNA OPIUM made by *Jardine, Matheson & Co.* in *Canton.*

——	From whom.	Chests.	Price.	——
1838:			$.	$.
August - 26	Wm. Scott - -	20	575	11,500
		45	580	26,100
— 28	Affech - - -	10	590	5,900
— —	W. Scott - - -	25	595	14,875
— 31	Ditto - - -	40	595	23,800
— —	Bowamjee Manechjee	40	585	23,400
— —	Tienshun - -	10	580	5,800
September 3	Wm. Scott - -	45	579	26,055
— —	HeerjeebhoyRustomjee	40	590	23,600
— 4	Allye - - -	30	607	18,210
— 6	Tylong - - -	10	545	5,450
— 10	Acheong - - -	20	540	10,800
— 11	Yeehing - - -	9	530	4,770
— 14	Tunshun - - -	10	560	5,600
— 21	Tylong - - -	10	530	5,300
October - 8	HeerjeebhoyRustomjee	9	590	5,310
		3	595	1,785
— 25	Yeehing - - -	10	585	5,850
November 24	Captain Parry - -	30	570	17,100
— 25	H. M. Cursetjee -	1	540	540
	CHESTS - - -	417	- -	$. 241,745 or $. 579·724 per chest.

Purchases of Malwa Opium.

(B.)—STATEMENT of PURCHASES of MALWA OPIUM made by *Jardine, Matheson & Co.* in *Canton.*

——	From whom.	Chests.	Price.	——
1838:			$.	$.
July - 18	Wohing - - -	40	620	24,800
— 19	Bomanjee Manechjee	45	620	27,900
		20	625	12,500
— 20	James Innes - -	15	630	9,450
— 23	Appun - - -	10	621	6,210
— 24	Chunsing - -	40	621	24,840
— —	Appun - - -	10	626	6,260
— 26	Chunsing - -	25	621	15,525
— 30	Ditto - - -	7	620	4,340
August - 3	Allye - - -	6	625	3,750
— —	Achow - - -	5	622	3,110
		5	625	3,125
— 16	Achow - - -	5	626	3,130
— 18	Tylong - - -	10	655	6,550
— 26	Accong - - -	10	665	6,650
		10	675	6,750
— —	Wm. Scott - -	15	675	10,125
September 3	Appun - - -	5	670	3,350
— 8	Allye - - -	5	625	3,125
— —	Tienshun - -	10	625	6,250
		20	630	12,600
		40	650	26,000
		10	650	6,500

Purchases of Malwa Opium.

——	From whom.	Chests.	Price.	——
1838:			$.	$.
September 8	Accong - - - -	15	630	9,450
		15	625	9,375
— 9	Oshing - - -	20	615	12,300
— 10	Tylong - - -	10	620	6,200
— —	Irenchun - -	15	600	9,000
		20	605	12,100
— —	Tienshun - -	12	600	7,200
— 11	Pallonjee Derabjee -	7	600	4,200
— 12	Whosing - - -	10	595	5,950
— —	Tylong - - -	30	590	17,700
— —	Yeeshing - -	40	580	23,200
— 14	Lienshun - -	10	565	5,650
— 17	Ditto - - -	15	555	8,325
— 25	Ditto - - -	20	570	11,400
— 28	Tylong - - -	10	565	5,650
— —	Allye - - -	10	565	5,650.
October - 8	HeerjeebhoyRustomjee	8	560	4,480
— 23	Bomanjee Manechjee	32	570	18,240
— 25	Tylong - - -	8	570	4,560
November 3	Tienshun - -	5	565	2,825
— 5	Yeeshing - -	5	560	2,800
— 25	HeerjeebhoyRustomjee	25	565	14,125
		58	560	32,480
— —	Toushing - -	200	550	110,000
	CHESTS - - -	968	- -	$. 575,700 or $. 594·73.

Before me, Captain Charles Elliot, R.N. Chief Superintendent of the Trade of British subjects in China, personally appeared this day Henry Wright, partner in the British firm of Jardine, Matheson & Co. lately of Canton, now of Macao, who maketh oath that the Statements (A.) and (B.), hereunto appended, exhibit alone a faithful account, extracted from Jardine, Matheson & Co.'s opium book, herewith produced, of the rate of cost and average of Patna and Malwa Opium purchased in China, surrendered by the said Jardine, Matheson & Co. for the service of Her Majesty's Government.

(signed) *H. Wright.*

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On Friday morning an answer came that this was not sufficient, and Mr. Dent was requested to go into the city; the guarantee of the Hong merchants for his safe return was rejected; determination of the community that he should not go without a guarantee from the commissioner; arrival of Captain Elliot, and circumstances afterwards occurring, 1110——The servants were ordered to leave half an hour afterwards; some had already left; the provisions were stopped on the Monday, 1111–1113——Most of the residents had laid in a store which would have lasted some time; there was no immediate danger of starvation; 1114–1122——The supply of water was cut off, but most persons had sufficient in their houses for immediate use, 1123–1137——The supply of provisions and water was cut off for a week, 1138–1142——The water in the wells was not wholesome, but was used merely for washing, 1143, 1144——The servants had been taken away in Lord Napier's time, 1145–1149.

There was much excitement amongst the foreign community, more especially with those who had lately arrived, 1150–1154——They were not aware of Captain Elliot's intentions until the requisition appeared, 1155–1158——Quantity of opium surrendered by witness, 1159——He believed that he should be remunerated, 1160——He should not have delivered his property without that pledge, which he supposed Captain Elliot had authority to give, 1161–1178——The community believed that he would have called upon them to surrender their property without having full powers under his instructions, 1179–1186——At a public meeting in December, Captain Elliot had stated that it was not in his power to publish his instructions, 1187, 1188.

Two or three firms had placed their opium in charge of Mr. Johnston for safe custody on the Saturday previous to Captain Elliot's arrival, 1189–1191——Less than a chest of opium was at Canton, 1192, 1193——The merchants were greatly surprised at Captain Elliot's requisition, but did not hesitate to comply with it, 1194–1199——Cost per chest of the Patna, Benares, and Malwa opium; weight of chests, 1200–1205——No agreement was made with Captain Elliot as to the price to be paid, which was left to be settled afterwards, 1206–1210——There was no remonstrance against Captain Elliot's injunction, 1211–1213——The receiving ships at Lintin generally had nothing but opium on board; they could always go to sea at a short notice, 1214–1221——At first Captain Elliot expressed himself sorry that the 1,000 chests had been offered, and was understood to say that none should be given up, 1222–1225.

The foreign community were not in a state of very great alarm before Captain Elliot arrived, 1129–1234——What was chiefly apprehended was the irruption of the mob, who had come down from the country and were in the neighbourhood of the factory, 1235——The community expected that Mr. Dent would have to undergo imprisonment, but did not think his life would be in danger, 1236–1240——When they offered the 1,000 chests they thought the commissioner would be brought to terms, 1241–1253——On the 25th (Thursday) they signed an engagement to deal no more in opium, 1254, 1255——The commissioner hints in his edict the possibility of the mob breaking in upon them, 1259——Until Captain Elliot's arrival they had not abandoned the hope of making terms with the Chinese; but it is difficult to say to what lengths the commissioner would have gone, 1260. 1272——Witness agrees with the opinion expressed in the memorial dated 23 May, as to the danger in which the community were when Captain Elliot forced his way up to Canton, 1273–1276——From what has since occurred, it seems that they were in real danger and jeopardy, 1277–1293.

Prices of Malwa and Patna opium in China from 18 July to 25 November 1838, 1294–1298——After the surrender of the opium the merchants were not allowed to take away their dollars; system of transfer adopted, 1299, 1300——About 50 chests of opium were consigned to witness's house the day before he left, which he supposes were disposed of along the coast, 1301–1314——There has been a considerable trade in opium since the surrender, 1315——The guarantee which was required of the commissioner in the case of Mr. Dent was that he should return within 24 hours, 1316——The resolution that he should not go was agreed to at a public meeting called by the Chamber of Commerce, to which all had access, 1317–1321——The resolution was communicated by Mr. Dent to the Hong merchants and to two Chinese officers, 1322–1327——Witness has not heard of any negotiations of opium scrip, 1328–1333——It is the general opinion that the opium was destroyed, 1334, 1335.

Degradation of Hong Merchants. Return of Hong merchants from the city without their buttons and with chains round them, because Mr. Dent had not gone into the city, *Inglis* 23.——*See* also *Dent*, Mr.

Report, 1840—*continued.*

DENT, MR.:

1. *Narrative of Proceedings; Reasons of the Chinese for requiring his presence in the City, and of his refusal to go.*
2. *Unanimity of the Foreign Community in advising him not to go.*
3. *Proceedings of Captain Elliot with reference to Mr. Dent; their effect.*

1. *Narrative of Proceedings; Reasons of the Chinese for requiring his presence in the City, and of his refusal to go:*

Demand made on Friday, March 22, that Mr. Dent should meet the commissioner; his willingness to go; causes of his delay; degradation of the Hong merchants in consequence; reasons for believing that he would be detained; his demand for security to return; messages and further proceedings, *Inglis* 23——The security demanded from the kwan-chow-foo (the chief magistrate of the city) was for Mr. Dent's immediate return, not for his safety, *Inglis* 34, 35——The guarantee required of the commissioner was that Mr. Dent should return in 24 hours, *Daniell* 1316——The belief was that he would be detained until the opium was delivered; he would have gone on any part of Saturday with the commissioner's guarantee, which, however, they did not expect to obtain, *Inglis* 43–48. 51–56.

Reasons for which the Chinese desired Mr. Dent in particular to come; he was known to be a kind-hearted man, and expected to work upon his feelings by tormenting his friends the Hong merchants, *Inglis* 51–56——They would have threatened to put the Hong merchants to death in order to work upon his feelings if other modes had failed, *Inglis* 616–619——If he had refused to give up the opium, they would only have kept him in confinement, *Inglis* 70–72——It was expected that he would suffer imprisonment, but not that his life would be in danger, *Daniell* 1236–1240——Mr. Matheson and Mr. Turner were mentioned as the next to be sent for; they wished Mr. Dent to take the first leap, hoping the others would follow, *Inglis* 635, 636——The commissioner asserted that Mr. Dent had 5,000 chests of opium; he had, however, only 1,700, while others gave up 7,000, *Inglis* 74–76.

2. *Unanimity of the Foreign Community in advising him not to go:*

Unanimous determination of the merchants with respect to the course to be pursued by Mr. Dent, *Inglis* 23——Not only partners in firms, but the whole foreign community agreed in the resolution that Mr. Dent ought not to go into the city, *Inglis* 488–492——It was the unanimous opinion of the merchants (with the exception of Mr. Inglis) that Mr. Dent, on account of the distrust entertained for the Chinese government, should not go into the city, *Thacker* 799–804——It was the unanimous opinion, not only of partners in firms engaged in the opium trade, but also of the foreigners generally, that Mr. Dent should not go, *Thacker* 1050–1056——The guarantee of the Hong merchants for his safe return was rejected; determination of the community that he should not go without a guarantee from the commissioner, *Daniell* 1110——The resolution that he should not go was agreed to at a public meeting called by the Chamber of Commerce, to which all had access, *Daniell* 1317–1321.

3. *Proceedings of Captain Elliot with reference to Mr. Dent; their effect:*

Captain Elliot on his arrival commanded Mr. Dent, in the Queen's name, to come to his house, and taking him by the collar, carried him through a dense crowd, *Inglis* 137–145——Mr. Dent's movements were watched by 12 Chinamen, *Inglis* 145–148——If Captain Elliot had not arrived on the Sunday, Mr. Dent would have been forced to enter the city on Monday, *Inglis* 241–243. 248——The arrival of Capt. Elliot afforded the Chinese an excuse for getting out of their difficulty with Mr. Dent, *Jardine* 1480–1482.

See also *Penal Bonds. Powers of Captain Elliot.*

Dent & Co. The firm was largely engaged in importing opium into China, *Inglis* 10——There being found a deficiency in the number of chests agreed to be surrendered, Dent & Co. supplied it from a ship lately arrived, and Captain Elliot agreed to pay for it either in money or in opium, quite distinct from the general indemnity, *Inglis* 332–342——The Treasury bills drawn by Captain Elliot apparently identify the transaction with the original surrender, and were not accepted, *Inglis* 343–346——The opium last sold to Captain Elliot would have been disposed of at a high price; the Treasury bills which were received in payment were remitted to the consignors at Bombay, *Inglis* 378–384.

Destruction of the Opium. Presumption in favour of its having been actually destroyed, arising from the character of Commissioner Lin, *Inglis*, 623——Two parties saw the process of destruction going on; Mr. King saw it; the only reason for supposing that it was not destroyed was a calculation that it could not have been done in the time stated, *Inglis*, 771–777.

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DURESS OF THE COMMUNITY:

1. *Its Nature and Extent; Danger, &c.*
2. *Alarm.*

1. *Its Nature and Extent; Danger, &c.:*

The foreign community were not in duress, except that they were unable to leave Canton, when Captain Elliot arrived, *Inglis* 57–59——Before Captain Elliot's arrival and his seizure of Mr. Dent, the merchants had not been deprived of their servants and provisions, but then the whole community were placed in duress, *Inglis* 249–269——They had wells within the factory, but usually supplied themselves from a spring outside; the streets were built up to prevent egress, *Inglis* 282–287——Extent of the danger in which the community were; the proceedings of Commissioner Lin were unlike any that had been adopted on former occasions, *Inglis* 537–595——Their confinement; extreme inconvenience suffered on account of the privation of servants, *Inglis* 596–608.

The community, while under duress, were able to move from house to house, but were entirely in the power of the Chinese, *Inglis* 657–662——The servants had not left, and the provisions were not stopped until after Captain Elliot's arrival, *Thacker* 835–837——Everybody was imprisoned; whence it may be inferred that the proof of dealing in opium had nothing to do with their confinement, *Thacker* 1013, 1014.

The servants were ordered to leave half an hour after Captain Elliot's arrival on Sunday evening; some had already left; the provisions were stopped on Monday, *Daniell* 1110–1113——Most of the residents had laid in a store which would have lasted some time; there was no immediate danger of starvation, *Daniell* 1114–1122——The supply of provisions and water was cut off for a week, *Daniell* 1138–1142.

There was much excitement amongst the foreign community, more especially with those who had lately arrived, *Daniell* 1150–1154.

2. *Alarm:*

The foreign community were not in a state of very great alarm before Captain Elliot arrived, *Daniell* 1129–1234——Witness agrees in the opinion expressed in the memorial, 23d May, as to the danger in which the community were when Captain Elliot forced his way up to Canton, *Daniell* 1273–1276——Most of the residents had not been long at Canton; some who signed the memorial were not able to form a correct opinion as to the danger, *Matheson* 2411–2427.

Witness's partners had made over the whole of their opium to him, in order that no compulsory measures at Canton should force them to deliver it, *Matheson* 2074–2081, 2091, 2092——If there had been any fear that Lin would detain the community at Canton no one would have been there, *Matheson* 2138–2140——The community were entirely in the power of the Chinese, *Matheson* 2375–2378.

See also *Servants. Violence. Water.*

Dutch Consul. See *Foreign Community.*

E.

EAST INDIA COMPANY:

Their cognizance of the Opium Trade:

Witness has been applied to by the Board of Salt and Opium in Calcutta to know in what kind of package opium sold best in China, *Jardine* 1392–1394——The Company's ships sometimes brought opium to China; the practice was prohibited; it occurred more frequently from Bombay than from Calcutta; petition to the Bombay government on the subject, *Jardine* 1405–1422——Return of part of the purchase-money by the East India Company when merchants had sustained losses in the sale of opium in 1836, *Jardine* 1807–1812——Evidence of W. M. Fleming as to the return of money to merchants in 1825 for opium which had been unsaleable in China on account of the quality, *App. p.* 170——Their servants are cognizant of the fact that the opium sold at their sales is conveyed to China, but they are prohibited from having any dealings in that article, *Rep. 8th Jan.* 1830; *App. p.* 157——Extracts from despatches and enclosures in despatches from the Court of Directors to the Governor-general in Council, and from the Governor-general in Council to the Court of Directors, on the opium trade with China, *App. p.* 161, *et seq.*

Elliot, Captain. The day after his arrival all power of communicating with the Chinese was taken out of the hands of the merchants by Lin, *Inglis* 149——Witness, knowing Captain Elliot's character, expected his arrival in Canton directly he heard that his countrymen were in danger, *Inglis* 222–229——His address to the foreign community on his arrival; his confidence in acting on his own responsibility; he said nothing of the surrender of all the opium, and regretted that the 1,030 chests had been offered, *Thacker* 822–825.

See also *Dent,* Mr. *Duress of the Foreign Community. Expulsion of Foreigners. Indemnity. Instructions. Powers of Captain Elliot. Surrender. Violence, &c. &c.*

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Execution, The (in front of the Factory). Collision between the foreigners and the mob at the attempted execution in front of the factory; the mob took part with the foreigners at first, until one of them was struck, and then there was a general fight, *Inglis* 111–118 ——The execution was one of the many measures intended to intimidate the foreigners, *Inglis* 124–129——The execution was supposed to have been the act of the viceroy, and it was expected that the commissioner was coming to soften matters, *Thacker* 852 ——The execution in front of the factory was caused chiefly by the denial of the right of the Chinese to execute criminals there; the first that was attempted was for the purpose of giving effect to the edict against the opium trade, *Jardine* 1605–1611——Witness recollects the execution of four or five Chinese dealers in opium before that time, *Jardine* 1612–1615.

Expulsion of Foreigners from Canton. If Commissioner Lin had been allowed to carry out his own measures he would have banished all foreigners that he did not happen to like, *Inglis* 615——Mr. Dent was first ordered away, and, in a few days, Mr. Matheson; the whole 16 were soon ordered to follow; some were not connected with the opium trade; the names must have been given to the commissioner by the linguists, *Inglis* 630–638 ——Frequent expulsion of Europeans; witness has been expelled a dozen times; Captain Elliot was too much alarmed at expulsion, *Jardine* 1623–1633.

F.

Fleming, W. M. Extract from his evidence before the Committee on East India Affairs, in 1832, as to the return of money to merchants who had bought opium at the Company's sales, which proved unsaleable in China, *App. p.* 170.

Foreign Community. Number of Europeans in the factory when Captain Elliot arrived, *Inglis* 406. 629——Persons confined who were not interested in the opium trade; missionaries, American and Dutch consuls, and sailors; clerks in the offices; firm of Oliphant & Co., *Inglis* 437–452——So much weakness was never shown by Europeans as when Captain Elliot joined them, *Jardine* 1371–1383——They would have been united, and would have made a better bargain if they had been left to manage for themselves, *Matheson* 2379–2386.

Freshfield, J. W. jun. Papers delivered in by him, *App. p.* 157.

G.

Growth of Opium:

1. *In India.*
2. *In China.*

1. *In India:*

Continual increase in the growth of opium in India, without reference to the demand in China, occasioned by the monopoly of the East India Company, *Inglis* 455–472.

2. *In China:*

Quantities of opium grown in China; frequent edicts for its suppression, *Jardine* 1458, 1459. 1463——No measures were taken to destroy the poppy growing in China, while attempts were making to suppress the foreign trade, *Jardine* 1668–1670.

H.

Heerjeeboy Rustomjee, a Parsee. Mistake in his giving up opium consigned to another house, which gave in an account of the same chests, thus causing a deficiency in the number to be given up to Commissioner Lin, *Inglis* 337–339.

Henry, Mr. Had never seen a chest of opium in his life, but was one of the sixteen persons expelled by the Chinese, *Inglis* 442.

Hong Merchants. On Thursday, March 21st, the Hong merchants acquainted the Chamber of Commerce that unless 1,000 chests of opium were given up next morning, two of them would lose their lives, *Inglis* 23——They are security to their own government that foreigners shall not be engaged in contraband traffic, *Inglis* 32, 33.

Some of them believed that Lin was coming to legalize the opium trade, while others said he would put a stop to it, *Matheson* 2037, 2038——Degree of confidence existing between the Chinese government and the Hong merchants, *Matheson* 2221–2232.

See also *Degradation of the Hong Merchants. Dent*, Mr. *Howqua. Laws of China. Legalization of the Opium Trade. Mowqua.*

Howqua. He was not consulted by witness's firm as to the intentions of the Chinese government; he is supposed to be linked with the Americans, with whom he has traded in partnership; he could not be depended upon, *Matheson* 2194–2205——In business transactions he was trustworthy, but not in political matters; he has shipped tea largely to England lately, through the Americans, *Matheson* 2216–2220.

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I.

Imperial Edicts. The edicts from Pekin against the opium trade never caused a belief that it was intended to suppress the trade, *Jardine* 1460–1462——General disregard of imperial edicts; export of Sysee silver in spite of them; they are sent to Canton for publication, but the local authorities neither translated them nor served them upon Europeans, *Jardine* 1473–1475——Intimate acquaintance with the state of the opium trade displayed in the edicts, *Jardine* 1596–1604——Correspondence with the Court of Directors, showing the character of Chinese edicts, and the disregard of them by the East India Company's supracargoes, *App. p.* 171.

INDEMNITY FOR THE OPIUM SURRENDERED:

1. *Evidence showing that the Opium was surrendered on account of the reliance of Merchants upon Captain Elliot's Engagement.*
2. *Confirmatory Claims to Indemnity.*
3. *Cost Price only of the Opium demanded.*

1. *Evidence showing that the Opium was surrendered on account of the reliance of Merchants upon Captain Elliot's Engagement:*

Conference with Captain Elliot on the indemnity to be given for opium surrendered to his order; his conviction that he was authorized to give it, *Inglis* 150–168——If he had not guaranteed indemnity, the merchants would have tried to make what terms they could with the Chinese, *Inglis* 178, 179——The merchants thought themselves justified, as agents, in giving up the opium under indemnity; pecuniary liability of any merchant who should have declined to do so, *Inglis* 183–186, 197–204——The merchants had an undoubting belief that Captain Elliot's engagement would be acknowledged at home, *Inglis* 407–413. 419–424—— Captain Elliot held out to witness a positive expectation of payment as soon as he arrived in England, *Thacker* 863, 864.

The perfect reliance of merchants upon Captain Elliot's engagement illustrated by a case in which a person authorized witness to give up opium which he had lent money upon, and afterwards repaid the money, *Thacker* 906–916——When the offer of indemnity had been made, witness preferred delivering his opium to the uncertainty of disposing of it in any other way, *Thacker* 1073–1083——Witness surrendered his opium upon the pledge of indemnity, without which he would not have done so; he supposed Captain Elliot had authority to give it, *Daniell* 1161–1178——Witness's firm would not have given up their opium, either to the Chinese or to Captain Elliot, without payment, *Jardine* 1832–1835.

2. *Confirmatory Claims to Indemnity:*

The claims for indemnity rest upon Captain Elliot's engagement; and the sanction of our own authorities at home and in India, and the connivance of the Chinese, put opium upon the same footing as any other trade, *Jardine* 1616–1622. 1634——Even if the trade had been avowedly contraband, the positive engagement of Captain Elliot would entitle the parties who surrendered their opium to compensation, *Malcolmson* 1929–1931.

3. *Cost Price only of the Opium demanded:*

The claim for indemnity would be limited to the actual cost of the opium up to the time of the surrender, exclusive of any profit, *Inglis* 493–498——No agreement was made as to the price to be paid, which was settled afterwards, *Daniell* 1206–1210——No more than the cost price was fixed upon as the limit of compensation, as there had been no market price for some months, *Matheson* 2400–2402.

See also *Bombay Merchants. Certificates of Surrender. Compensation from the Chinese. Powers of Captain Elliot. Surrender of Opium.*

Inglis, Robert. (Analysis of his Evidence.)—Resident in Canton since 1823; partner in the house of Dent & Co., 3–5——Was on the point of embarking when the embargo was put upon the passage-boats, 6, 7——Opposition of the linguists to witness's departure for a week previous to the issue of the edict, 7–9, 21, 22——Dent's house was largely engaged in importing opium into China, 10——Commissioner Lin arrived at Canton on the 10th March, and his first edict was published on the 18th, 10–12——Witness believes that at first he intended to pay for the opium, but changed his mind on finding that there were 20,000 chests, 13–18——The edict ordered the opium to be delivered up in three days; the Chamber of Commerce told the Hong merchants that they wished for time to consider of it, 19, 20.

Statement from the Hong merchants that 1,000 chests must be delivered, or that two of them were to lose their lives; demand made on Friday that Mr. Dent should meet the Commissioner; his willingness to go; the delay arose from his desire to know for what purpose he was required; return of the Hong merchants on Saturday degraded, because Mr. Dent had not gone; unanimous determination of the merchants that he should not go; proof that it was intended to detain him; his demand for security that he should return; mission of merchants with this answer; two mandarins came to Mr. Dent's house, who answered for his safety; adherence of the foreign merchants to

Report, 1840—*continued.*

Inglis, Robert. (Analysis of his Evidence)—*continued.*

their original determination; some of them returned to the Consoo-house, and thence witness, with Mr. Thom, the interpreter, and some others, went into the city; their conference with four government officers, who insisted upon Mr. Dent's coming; conversation of Mr. Thom with an officer of the commissioner; arrival of Captain Elliot on Sunday evening, the day before Mr. Dent was finally ordered to enter the city, 23——The only knowledge Captain Elliot had of these circumstances was from a letter of Mr. Astell, 24——Messrs. Bell, on Saturday, the 23d, gave their opium into the charge of Mr. Johnston, the second superintendent, who accepted it without any guarantee, 24–28.

Reasons for believing that it was at first the intention of the Chinese government to pay for the opium, 30, 31——The Hong merchants are security to their own government that the foreigners shall not be engaged in contraband traffic, 32, 33——The security demanded from the kwang-chow-foo was for Mr. Dent's immediate return, not for his safety, 34, 35——Had Mr. Dent gone into the city, his firm would have made over their opium to Mr. Johnston, placing it beyond their own control, 36–42——The belief was that he would be detained until the opium was delivered; he would have gone on any part of Saturday with the Commissioner's guarantee, 43–48.

Reasons for which the Chinese selected Mr. Dent in particular to come, 49, 50——The foreign merchants did not expect that Lin would give the guarantee required, 51–56——The foreign community were not in duress, except that they could not leave Canton, when Captain Elliot arrived, 57–59——Witness entertained no apprehensions for his own safety, but the merchants advised him not to go; Captain Elliot blamed him for going, 60–66——The object of the Chinese was to induce Mr. Dent to sign penal bonds, for which they would have rewarded him, 68, 69——If he had refused to give up the opium, they would only have kept him in confinement, 70–72——Captain Thacker and Mr. Daniell gave up their opium to Mr. Johnston, 73——The commissioner asserted that Mr. Dent had 5,000 chests of opium, but he had only 1,700, while others gave up 7,000, 74–76——Dent & Co., and most probably all the other merchants, would have surrendered their opium to the superintendent to save themselves from responsibility, 77–84.

Conduct of the Chinese mob; their excitement and curiosity when witness was conducted through the streets, 85–110——The mob and the foreign community had come into collision at the execution in front of the factory, 111–118——They exulted at the sight of a foreigner humbled, as witness seemed to be, 119, 120——In ordinary times a British merchant at Canton would be exposed to crowding; Captain Elliot was knocked down in full uniform, 121–123——The execution was one of many measures intended to intimidate the foreigners, 124–129——Conversation of witness with Mr. Johnston as to the propriety of his taking charge of the opium, 130–136——Captain Elliot on his arrival commanded Mr. Dent, in the Queen's name, to come to his house, and taking him by the collar, carried him through a dense crowd, 137–145——Mr. Dent's movements were watched by twelve Chinamen, 145–148——On the Monday all power of communicating with the Chinese was taken out of the hands of the merchants by Captain Elliot, 149.

On Tuesday Captain Elliot stated his intention of demanding all the opium to be given up, and of engaging to indemnify the owners; he felt no doubt as to his authority to do so; his communications with witness and Mr. Braine upon the subject, 150–168——The order for the surrender of the opium met with the general concurrence of the holders of it, as they felt that they would otherwise have to give it up to the Chinese, 169–177——If Captain Elliot had not guaranteed indemnity, the merchants would have tried to make what terms they could with the Chinese, 178, 179——Witness recollects no remonstrance, 180–182——The merchants thought themselves justified, as agents for others, in giving up the opium under indemnity, 183–186——Ignorance of the merchants as to extent of Captain Elliot's authority, 187–196——They surrendered the opium, relying upon being paid the stipulated indemnity; pecuniary liability of any merchant who should have declined to do so, 197–204.

It was believed to be the intention of the Chinese, through the Hong merchants, to pay for the opium, but the quantity was found to be too great, 205–216——If Captain Elliot had proposed to surrender 10,000 or 20,000 chests on receiving the value, Lin would not have agreed, 217–221——Witness knowing Captain Elliot's character, expected his arrival in Canton directly he heard that his countrymen were in danger, 222–229——If he had not arrived on Sunday, Mr. Dent would have been forced to enter the city on Monday; the Chinese intended to get the merchants, one after another, into their power, and to make them give up their opium and sign bonds, 230–248. 279–281——Before Captain Elliot's arrival, and his seizure of Mr. Dent, the merchants had not been deprived of their servants and provisions, but then the whole community were placed in duress, 249–269——Captain Elliot and the merchants thought Lin was prepared to go any lengths, and this opinion has been confirmed by experience; they dreaded violence, 270–278——They had wells within the factory, but usually supplied themselves from a spring outside, 282–286——The streets were built up to prevent egress, 287.

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Inglis, Robert. (Analysis of his Evidence)—*continued.*

No mention had been made of bonds at that time, and Captain Elliot could have known nothing of them, 288–290——The younger residents were most alarmed, but, as it appears, justly, 291–297——It was Lin's intention to put restrictions upon the legal trade, and to revive the "old regulations," 297–305——After Captain Elliot's order, and much negociation with the Chinese Government, each merchant communicated the amount of opium in his possession, 306–312——Previous to Captain Elliot's proclamation, the principal merchants engaged to sign a bond that they would not enter into the opium trade any more, 313–315——They signed a letter to Captain Elliot to that effect, which he forwarded to the Chinese; at that time they had not suffered much practical inconvenience, 316–331. 347–350——There being found a deficiency in the number of chests agreed to be surrendered, Dent & Co. supplied it from a ship just arrived, and Captain Elliot agreed to pay for it, either in money or in opium, quite distinct from the general indemnity, 332–342——The Treasury bills apparently identify the transaction with the original surrender, and were not accepted, 343–346.

The greater part of the opium belonged to native merchants at Bombay; losses that they will suffer, 347–364——The prices of opium have since been very high, and large fortunes are being made, 365–371——Nearly the whole of the 20,000 chests were at Lintin and other places out of the reach of the Chinese, but within their jurisdiction, and that of Captain Elliot, 372–377——The opium last sold to Captain Elliot by Dent & Co. would have sold at a high price; the Treasury bills which they received in payment were remitted to the consignors at Bombay, 378–384——Many of the smaller merchants were ruined by the surrender of the opium, and rich speculators derived the profit arising from the subsequent high prices, 385–392——The opium trade has generally been a very uncertain one, and changed hands very much, 393–395——European houses in Calcutta have been very little engaged in it, 396–398——Remittances were generally made to Canton as advances on opium and cotton, 399, 400——Five hundred dollars a chest was agreed to be about the average price of opium at Canton at the time of the surrender, 401–405.

Number of Europeans in the factory when Captain Elliot arrived, 406——The merchants had an undoubting belief that Captain Elliot's arrangement would be acknowledged at home, 407–413. 419–424——The Orders in Council and part of his instructions had been published, and his powers had been canvassed, 414–418——All the opium belonged to British subjects; the Americans who had any of it surrendered it as British property, 425–436——Persons confined by the Chinese who were not interested in the opium trade, 437–452——Doubts as to the powers of Captain Elliot, 453, 454——Continual increase in the growth of opium in India, without reference to the demand in China, 455–472——The certificates given by Captain Elliot were not sold as negociable securities, except at Bombay as "opium scrip" at a very great discount; Captain Elliot's power was doubted, 473–477.

[Second Examination.]—Captain Elliot made no communication of Lord Palmerston's instructions as to the liability of merchants for losses incurred in illegal traffic, 478–481——It was a common practice for the Chinese to threaten a stoppage of the legal trade; their laws with reference to trade, 482–487——Agreement of the foreign community as to their proceedings, 488–492——Average prices of opium; great fluctuations of the trade; perpetual variations in price; causes thereof, 488–536——Extent of the danger in which the community were at the time of Captain Elliot's arrival; unlike any previous occasion, 537–595——Their confinement; extreme inconvenience suffered on account of the privation of servants, 596–608——No course was left but the delivery of the opium; intentions of the Chinese relative to Mr. Dent, 609 619. 635–638——The possibility of trading in conformity with the bond proposed by Lin, 620——Ulterior views of the commissioner, 621, 622. 639–644.

Notoriety of the opium trade; entries in the price current, 645–656——When under duresse, the merchants could move from house to house, 657–662——Reason for thinking that Lin at first intended to pay for the opium, 663–668——Connivance of Tang, the Governor of Canton, and other authorities, at the opium trade, 669–686——Proceedings of Governor Yuen in 1820–23 with reference to the opium trade, 687–689——Interruption to the regular trade caused by Commissioner Lin, 690–694——State of Chinese laws affecting foreigners, 695–706——Their power of confiscating opium outside the Bogue, 707–736——Mode of conducting the trade by means of orders to the ships, 736–742——Captain Elliot applied Lord Palmerston's instructions solely to the smuggling trade within the Bogue, 743–747——Intentions of merchants in placing their opium in charge of the superintendent, before the arrival of Captain Elliot, 748–765.

The opium trade is still continuing; the Chinese government have taken no measures to put down the consumption, 766–769——Reasons for believing that Commissioner Lin actually destroyed all the opium, 771–777——He is supposed to have come from Pekin with absolute powers, and with general instructions to put down the opium trade, 778, 779.

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Instructions to Captain Elliot. At a public meeting in December 1838, Captain Elliot stated that it was not in his power to publish his instructions, *Daniell* 1187, 1188.

See also *Powers of Captain Elliot.*

Insurance of Opium. The premium of insurance upon opium from Calcutta to Canton is two and a half per cent., *Inglis* 511——General rate of insurance for opium and other goods lying at sea in China, *Thacker*, 871–879.

Intestates' Effects. See *Powers of Captain Elliot.*

J.

Jardine, William. (Analysis of his Evidence.)—Was resident at Canton from 1820 to 1839, and was backwards and forwards from 1802 to 1818, 1336, 1337——Left Canton 31st January 1839, 1338——No one who had resided long in China could have expected that Lin would act as he did, 1341–1343——Average cost of Malwa and Bengal opium, 1344–1350——Actual cost of the opium surrendered by witness's house, 1351, 1352——The viceroy had taken severe measures to suppress the opium trade, on account of an edict from the emperor, long before the commissioner's arrival, 1353–1356——It is believed that Lin was in the vicinity *incog.* before he commenced his public operations, 1357——Witness never saw violence used by the Chinese government towards Europeans, but occasionally by the mob, or by a soldier on duty, 1358, 1359——There was no danger to life or property when Lin's edict was issued; if there had been more resistance, his measures would have been less severe, 1360–1362——He would have bought a certain quantity of opium, to save his credit with the emperor, and the rest he would have sent away, 1363–1369.

The trade has existed for some months within the Bocca Tigris; the opium is brought up in boats to Whampoa, 1370——So much weakness was never shown by Europeans as when Captain Elliot joined them, 1371–1383——In Lord Napier's time they were imprisoned, and his Lordship's provisions were taken away, 1385–1388——He brought a force up as far as Whampoa, where he was stopped by sunk vessels, 1389, 1390——A pass was at length obtained for Lord Napier, by a surgeon and witness, on the ground of ill health, 1391——Witness has been applied to by the Board of Salt and Opium in Calcutta, to know in what kind of package opium sold the best, 1392–1394——In 1821 there was an interruption of trade, and the ships were expelled from Whampoa; no opium was seized; the ships were prepared to resist a search, 1395–1404——The Company's ships sometimes brought opium to China; the practice was prohibited; it occurred more frequently from Bombay than from Calcutta; petition to the Bombay government upon the subject, 1405–1422.

The authorities in Canton knew every house engaged in the opium trade by name, 1423——Since 1821 the ships have been continually ordered from one anchorage to another, 1424–1427——The custom-house department does not extend beyond the Bocca Tigris, 1428–1430——The opium trade was the safest in China; the money was always paid before the order on the ships was given, 1431——The trade was publicly known to the highest Chinese authorities, 1432–1435——In 1826 the Hong merchants believed that the emperor intended to legalize the trade, levying a small duty, 1436, 1437——The viceroy at Canton had four boats carrying opium, with his flag, 1439——The ineffectual edicts issued from Pekin prove the connivance of the emperor, 1440–1445——The discovery that bullion was leaving the country induced him to act upon a different principle, 1457——Quantities of opium grown in China; frequent edicts for its suppression, 1458, 1459. 1463——The imperial edicts never caused a belief that it was intended to suppress the trade, 1460–1462.

[Second Examination.]—Statements of the prices of opium, 1464–1468——Much opium was delivered up to Captain Elliot which had been previously sold, 1469–1472——General disregard of imperial edicts; export of sysee silver in spite of them, 1473–1475——The export of sysee silver was recognized by the chief supercargo of the East India Company, 1476–1479——The arrival of Captain Elliot afforded the Chinese an excuse for getting out of their difficulty with Mr. Dent, 1480–1482——If the East India Company had made a similar demand to that of Captain Elliot, witness would have obeyed it, as they would have been responsible in a court of law, 1483, 1484——Fluctuations of price in the opium trade; frequent losses sustained, 1485–1493——The fluctuations were caused partly by the supply and demand, and partly by the proceedings of the Chinese, 1493, 1494——Moral objections of certain merchants to engage in the opium trade, 1495–1502.

Edicts of the Chinese against the introduction of Christianity and the dissemination of tracts; voyage of Mr. Medhurst in the Huron; opposition encountered by him, 1503–1513——Mr. Medhurst resided many years in Java, where opium was much consumed, 1514–1516——The viceroy's boats carried on the smuggling trade between Lintin and Canton for eighteen months, till near the time of Lin's arrival, 1517–1534——There were occasional sham-fights, to make it appear that the authorities did their duty, 1535, 1536——The measures of the viceroy became stricter in 1838, before the edict arrived in December, 1537–1548——His own boats were gradually put down, and inferior mandarins

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Jardine, William. (Analysis of his Evidence)—*continued.*

darins carried on the trade, 1549–1552——The European boats always carried arms to protect themselves from robbery, 1555–1557——The government schooners never attacked European vessels, 1558–1564——Circumstances attending the seizure of Mr. Just's boat, 1565–1568——It was running at the same time as the viceroy's boats, and interfering with his trade, 1569, 1570.

Accuracy of Captain Elliot's statement that the number of European boats had "vastly increased," and that conflicts were frequent, disputed, 1571–1578——Notoriety of the fact of the viceroy's boats being used, 1579–1583——He is said to have made 13,000 taels on each boat per month, part of which went as presents to the imperial treasury, 1584–1588——It is not supposed to have been paid as part of the proceeds of the opium traffic, 1589——Very few measures were taken for suppressing the opium trade before December 1838; now and then an opium broker had been seized, 1590–1592——When Governor Yuen ordered the vessels away from Whampoa, the Hong merchants stated that the trade might still be carried on quietly, 1593–1595——Intimate acquaintance with the state of the opium trade displayed in the imperial edicts, 1596–1604——The execution in front of the factory was caused chiefly by the denial of the right of the Chinese to execute criminals there; the first execution which was attempted was for the purpose of giving effect to the edict against the opium trade, 1605–1611——Witness recollects four or five executions of Chinese dealers in opium previous to that time, 1612–1615.

The claims for indemnity rest upon Captain Elliot's engagement, and the sanction of our own authorities at home and in India; and the connivance of the Chinese put opium upon the same footing as any other trade, 1616–1622. 1634——Frequent expulsions of Europeans; witness has been expelled a dozen times, 1623–1632——Captain Elliot was too much alarmed at expulsion, 1633——The desire expressed by the Chinese, that Captain Elliot should refer home as to sending away the opium ships, was not viewed as a proof of their earnestness, 1635–1657——In December 1838 witness began to apprehend that they were serious in their intentions to put down the trade, 1658–1662——The emperor might have had a large revenue from opium, 1663——Every vessel might have been searched within the Bogue; there would have been no danger of bloodshed, 1663–1667——No measures were taken to destroy the poppy growing in China, while attempts were making to suppress the foreign trade, 1668–1670.

2,000,000 persons out of the 300,000,000 in China could consume all the opium, 1671–1673——The opium pipe is as common in Fokein as the tobacco pipe at Canton, 1674, 1675——The Chinese might limit smuggling on the coast very much if they pleased, although they would have to contend with many difficulties, 1676–1689——Opium smoking, in moderation, is not injurious; spirits are more dangerous to morality and health; case of witness's compadore who had charge of the cash, and smoked for 30 or 40 years, 1690–1702. 1713–1716——Refinement of opium for smoking; it can neither be refined or smoked without being detected by the smell, 1703–1709——Smoking divans described, 1710–1712——Retail price of opium, 1717——There is more dram drinking in England than smoking of opium in China, 1718–1725——The Chinese prefer refining the opium themselves, 1726–1729——The Turkey opium is sometimes chewed, 1730–1733.

Instructions given to commanders of ships for their defence, 1734–1738——Murder is the only crime for which foreigners are punished with death, 1739——The Chinese have the right of confiscation within the Bocca Tigris, 1740–1755——Lintin is in the outer waters and not within Chinese jurisdiction; position of the anchorage; the admiral has instructions to prevent smuggling there, 1756–1795——The surrender of the opium will be utter ruin to many of the Parsees in Bombay and Calcutta, 1796–1798——The fall in the price of opium caused other parties to engage in the trade, 1799–1801——Commercial distress at Bombay; complaints of breach of faith on the part of Government, 1802——The trade has since been going on briskly along the coast, but has been conducted by a lower class of men, 1803–1806.

Return of part of the purchase-money by the East India Company when merchants sustained a loss in the sale of opium in 1836, 1807–1812——Reasons assigned by witness's firm for not signing the address to Lord Palmerston, 1813–1816——Much opium was surrendered which was on the coast, not ever at Lintin, but beyond all doubt out of the reach of the Chinese, 1817–1831——Witness's firm would not have given up their opium either to the Chinese or to Captain Elliot without payment, 1832–1835——Although Captain Elliot was told that part of the opium, of which an account was given him, might have been sold since the last advices, he gave the account without any deduction to the Commissioner, and was afterwards obliged to purchase more to supply the deficiency, 1819. 1836–1841.

Jardine, Matheson & Co. Claims of Jardine, Matheson & Co. for indemnity for opium surrenders, *App. p.* 183.

Jauncy, Captain. Had sold several chests at 750 dollars a chest, in the straits of Nano, which were afterwards delivered up to Captain Elliot, *Jardine* 1469–1472.

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Johnston, Mr., (Second Superintendent.) Delivery of opium into his charge by Messrs. Bell, for safe custody, before Captain Elliot's arrival at Canton; witness's intention to do the same, if Mr. Dent had gone into the city, in order to put it beyond their own control, *Inglis* 24–28. 36–42——Captain Thacker and Mr. Daniell gave up their opium to Mr. Johnston, *Inglis* 73——Dent & Co., and most probably all the other merchants, would have surrendered their opium to the superintendent to save themselves from responsibility, *Inglis* 77–84——Conversation of witness with Mr. Johnston, who said when he knew that Captain Elliot had desired the ships to put themselves under the command of Captain Blake, he had no difficulty about his course of acting, *Inglis* 130–136——The merchants desired to throw upon him the responsibility of giving up the opium, in case that should be unavoidable, by placing it in his charge, *Inglis* 748–765.

Before Captain Elliot's arrival, witness had given up his opium to Mr. Johnston, for safer custody; correspondence with Mr. Johnston, *Thacker* 793. 805–821——Witness had a strong apprehension that he might be obliged to surrender his opium to the Chinese, when he gave it in charge to Mr. Johnston, *Thacker* 917–937——Two or three houses had placed their opium in charge of Mr. Johnston, for safe custody, on the Saturday, *Daniell* 1189–1191.

Just, Mr. Circumstances attending the seizure of his boat by the Chinese; it was running at the same time as the viceroy's, and interfering with his trade, *Jardine* 1565–1570.

K.

Kam-Sing-Moon. The Chinese succeeded in banishing their ships thence, and erected batteries to prevent them from returning, *Jardine* 1795.

Keating, Mr. See *Powers of Captain Elliot.*

L.

Laws of China. No penalty attached to Europeans previous to Commissioner Lin's arrival at Canton, except that of death for murder, and suspension of trade for disobedience to Chinese law, *Inglis* 695–696. 701–706——Murder is the only crime for which foreigners are punished with death, *Jardine* 1739——The laws are only made known to foreigners through the Hong merchants; they are all so disregarded that the law can be only gathered from practice, *Matheson* 2233–2255.

See also *Imperial Edicts. Tariff.*

Legal Trade with China. It was Commissioner Lin's intention to put restrictions upon the legal trade, and to renew the old regulations; vexatious regulations issued by him for the Chinese trade, *Inglis* 297–305——It would have been impossible to carry on the legal trade, under the regulations which Commissioner Lin intended to propose, *Inglis* 620–622——Interruption caused by Lin to the regular trade; 13,000,000 pounds of tea were left at Canton, which would have been shipped during the time the foreigners were in confinement, *Inglis* 690–694——It has been a common practice of the Chinese since 1820 to threaten a stoppage of the legal trade, if their edicts were not obeyed by foreigners; their laws concerning foreign trade, *Inglis* 482–487.

Legalization of the Opium Trade. In 1826 the Hong merchants believed that the emperor intended to legalize the trade, levying a small duty, *Jardine* 1436, 1437——It was believed that when the Government found it impossible to stop the trade they would legalize it, *Matheson* 2180–2186.

Lin, Commissioner. He arrived at Canton on the 10th of March, and his first edict was published on the 18th, *Inglis* 10–12——He is supposed to have come from Pekin with absolute powers, and with general instructions to put down the opium trade, *Inglis* 778, 779——The community expected that the commissioner was coming to remove obstructions to the trade until they observed the servants removing their things from the factory, *Thacker* 794–798——Some of the Hong merchants said he was coming to legalize the trade, and others that he would stop it; belief that he would make inquiries, and act according to the result of them, *Matheson* 2037–2040——No one who had resided long in China and was acquainted with the character of the people could have expected that Lin would act as he did, *Jardine* 1341–1343——It is believed that he was in the vicinity, *incog.* gaining information, before he commenced his public operations, *Jardine* 1357.

See also *Compensation from the Chinese. Dent*, Mr. *Destruction of the Opium. Surrender of the Opium, &c.*

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LINTIN:

How far the Ships were within the Jurisdiction or the Power of the Chinese; position of the Anchorage, &c.:

Nearly the whole of the 20,000 chests were at Lintin and other places, out of the reach of the Chinese, but within their jurisdiction and that of Captain Elliot, *Inglis* 372–377——The opium ships are not in any way in the power of the Chinese; the custom-house officers have never visited them, *Inglis* 624–627——The Chinese custom-house department does not extend beyond the Bocca Tigris, *Jardine* 1428–1430——It is in the outer waters and not within Chinese jurisdiction; position of the anchorage; the admiral has instructions to prevent smuggling there, *Jardine* 1756–1795.

The receiving ships were out of the control of the Chinese; those out at sea (from which some opium was delivered) were out of their knowledge, *Matheson* 2069–2073——The Chinese had no right to search British vessels at Lintin or on the coast; it would have been an act of hostile aggression, *Matheson* 2275–2287——If the ships had not been considered under the protection of the British authorities, they would have been sent away, *Matheson* 2294–2300——It was the duty of the superintendent to protect British subjects at Canton from having their property in the outer seas extorted from them by violence, *Thacker* 938–946. 962–977. 981–990——The opium ships seldom anchored between Lintin and the main land, but on the outside of the island, moving from one side to another of a point according to the wind, *Matheson* 2302–2305——The ships could have defended themselves against any Chinese force without the aid of a British ship of war, *Matheson* 2306–2308.

The Hong merchants advised that the ships should not be sent away, as Lin would be better pleased to say he had driven them off, *Matheson* 2131–2137——If Captain Elliot had sent away the ships, a long negotiation would have ensued, which would have ended in a compromise, *Matheson* 2347–2356. 2371–2374.

See also *Receiving Ships.*

M.

Mackenzie, Holt. Evidence before the Finance Sub-committee on East India Affairs, 1832, as to the revenue to the Indian government arising from the opium trade, *App. p.* 165.

Malcolmson, James. (Analysis of his Evidence.)—Partner in the house of Forbes, Forbes & Co., 1842——Agents for Parsee and Hindoo merchants in Bombay and Canton, 1843–1845——Severe effect of the withholding the opium indemnity upon the internal trade of Bombay generally, 1846–1849——Shipments of specie to Calcutta instead of native bills, 1849——Mutual forbearance between debtor and creditor, in expectation that the indemnity will be paid, 1850–1852——No doubt was felt that Government would fulfil the engagements of its functionary, 1853–1855——Very little opium has since been exported from Bombay; that consumed in China has gone from Calcutta; much opium is lying at Bombay, 1856–1863——On the refusal of the Government to pay, the merchants expected much from Parliament, 1864–1868——The most disastrous consequences will ensue if Parliament also refuse, 1869——An understanding that compensation is to be forced from the Chinese would tend to avert such consequences, 1870–1876.

The Parsees have not the means of referring immediately to our laws, but trust the execution of them to Government, 1879——They are increasing in education, wealth, and influence, 1880–1882——Two parties interested have committed suicide in consequence of the disappointment, 1883, 1884——Some have since engaged in the opium trade to a small extent, 1885, 1886——The declaration of Lord J. Russell will have a tendency to allay their fears, but they will expect something more definite, 1887, 1888——Letters from Bombay merchants on the subject of compensation, and their undoubted right to it; encouragement given to the opium trade by the Indian government, 1889–1893——There was a general feeling at Bombay that Captain Elliot's bills would not be honoured, 1894–1898.

Danger of further suicides; men of high spirit and ancient family cannot bear the disgrace of appealing to the insolvent law, 1902——If an immediate settlement of their claims cannot be made, an immediate acknowledgment of them will save their credit, and continue the forbearance of their creditors, 1899–1918——Price at which opium scrip was sold at Calcutta, 1919–1923——Letter concerning the anxiety of the East India Company to increase the opium trade, 1924——At Bombay no attempt was made to negotiate opium scrip, 1926–1928——Even if the opium trade had been avowedly contraband, the positive engagement of Captain Elliot would entitle the parties who surrendered their opium to compensation, 1929–1931.

[Second Examination.]—Difficulty of getting the cotton crops to market from the want of the usual advances; quantities in 1840, from 1st January to 29th March, as compared with the same period in 1839; high prices consequent upon the limited supply, 1932–1935——The loss of the opium has not been felt so much at Calcutta as at

Report, 1840—*continued.*

Malcolmson, James. (Analysis of his Evidence)—*continued.*

Bombay, the trade in other articles being more extensive, 1936——The export of opium from Calcutta is very frequently on Bombay account; the Bombay native merchants have been of late years large operators in both markets, 1937, 1938.

Malwa Opium. Increased quantity produced since the cessation of the East India Company's monopoly; it has been nearly all in the hands of Babadur Mull and others, *Inglis* 466–469——Immense fluctuations in the price; the crop is precarious, and there are no means of ascertaining what it is until the opium arrives at Bombay, *Inglis* 534–536——Price per chest at Bombay, February 1839, *Thacker* 784, 785——The natives finding, after the news from China had reached India, that there was no market for opium at Bombay, sent it to the coast of China on their own account, and realized a good price, *Matheson* 2154——Statement of purchases made by Jardine, Matheson & Co. in Canton, from July to November 1838, *App. p.* 186.

See also *Consumption of Opium. Prices of Opium.*

Mandarins. The journey of a mandarin to Pekin has been stated to raise the price of opium, on account of 100 or 200 chests being smuggled in his baggage, *Colquhoun* 527–529.——*See* also *Connivance of Authorities at the Opium Trade.*

Marjoribanks, C. Evidence before the Committee on East India Affairs, 1830——Notoriety of the opium trade; publication of prices; mode of conducting the trade; seizure of smuggling boats in the river; variance of practice and profession in China; connivance of the inferior authorities at the opium trade; opium finds its way into the imperial palace, *App. p.* 157.

Matheson, Alexander. (Analysis of his Evidence.)—Partner in the house of Jardine, Matheson & Co., 2029——Has been at Canton since 1826, 2030——Left Canton 12th March 1839, to be ready to send away the opium ships if it should be judged expedient, 2033–2036——Some of the Hong merchants believed that Lin was coming to legalize the opium trade, while others said he would put a stop to it, 2037, 2038——Witness's house believed that he would inquire into the proceedings of the viceroy, and act upon the facts he discovered, 2039, 2040——When his edict appeared, March 18th, witness sent away two ships, one with 1,000, and the other with 2,400 chests, and was transhipping the cargo of a third, containing 3,000, when he received fresh orders, 2041–2148——His firm had surrendered all their opium to Captain Elliot, and he recalled the ships, which were quite beyond Chinese jurisdiction, 2049–2053.

The Portuguese had opium at Macao, which they sent away; they did not surrender a chest; the demand was made by the Chinese, 2054——It was afterwards sold at a very large profit, on the east coast of China, 2059–2061——Some opium belonging to witness's house had been sold, after the return given in to Captain Elliot was made good, 2062–2068——The receiving-ships at Lintin were out of the control of the Chinese, but when out at sea they were removed from the knowledge of the Chinese, 2069–2073——The firm had made over the whole to witness individually, in order that no compulsory measures should force the partners then in Canton to deliver it, 2074–2081——They conceived themselves bound to obey the order of Captain Elliot, but not of the Chinese, 2082, 2083——They felt bound to act with perfect good faith to the English Government, and not to practise the evasion they had intended for the Chinese, 2084–2090——Witness had been left to his own discretion as to giving up the opium to the Chinese, 2091, 2092——One of the ships that had been sent away was to return in a month to Taitam Bay, at the mouth of Canton River, 2093–2095.

A large proportion of the opium is exported on account of merchants at Bombay; nearly a third of the Bengal opium belongs to them, 2096–2101——All classes of merchants at Bombay were affected by the surrender of the opium, 2103, 2104——Their creditors abstained from pressing them for payment, believing that compensation would be paid, 2105——The natives were very sanguine of being paid, 2106——They had always placed the most implicit reliance upon the word of the Government servants, whose acts they could not believe would be disavowed, 2107–2110——Witness is not aware that any opium scrip was sold at Bombay, 2111——Doubts were expressed as to the immediate payment of the scrip, in letters written from England in August, 2112–2115——The general trade of Bombay was much deranged, 2116——The sale of British manufactures was diminished, 2117, 2118——The export trade to China was affected, 2119——Advances on the cotton trade, 2120, 2121.

Witness's uncle, Mr. Matheson, was not consulted by Captain Elliot, 2122–2130——The Hong merchants advised that the ships should not be sent away, as Lin would be better pleased to say he had driven them off, 2131–2137——If there had been any fear that he would detain the British at Canton, no one would have been there, 2138–2140——At first there was a general forbearance on the part of creditors at Bombay, but latterly many have been greatly distressed, 2141–2143—— On the first receipt of Mr. Gordon's letter in Bombay two persons committed suicide, 2143–2145. 2150–2152——The principal loss will fall upon the Parsee merchants, 2146–2149——Nearly all persons engaged in the trade were unable to continue it, and it fell into new hands, 2153–2154——Great fall in the price of opium, 2155–2156.

Witness

Report, 1840—*continued.*

Matheson, Alexander. (Analysis of his Evidence)—*continued.*

Witness left Canton before Captain Elliot reached it; he received instructions to send away the opium on the 22d, and Captain Elliot did not arrive till the 24th, 2157–2174——The viceroy had been exceedingly strict, and it was the general opinion that Lin would cause a relaxation, 2175–2178——The opium trade is generally popular with the people; they were much dissatisfied with the viceroy's proceedings, 2178–2179——It was believed that when the government found it impossible to stop the trade they would legalize it, 2180–2186——The strong desire of the people for opium, and the interests of the provincial authorities, would prevent the exclusion of opium, 2187–2191——A more effective marine force would not prevent it, 2192, 2193——Howqua was not consulted; he has been carrying on business in partnership with the Americans, 2194–2200——He could not be depended upon as speaking the truth, 2201–2205——The mob did not care about the opium trade, 2206——Character of Howqua and Mowqua, 2207–2215——In business transactions Howqua was trustworthy, but not in political matters, 2216–2218——He has shipped tea largely to England lately, through the Americans, 2219–2220.

Degree of confidence existing between the Chinese government and the Hong merchants, 2221–2232——Chinese laws are only known through the Hong merchants; they are all disregarded; the law can only be gathered from practice, 2233–2255——The merchants have never been able to obtain a copy of the tariff; charges are added without the sanction of the emperor, 2256–2262——Many Chinese thought Lin would relax the measures of the viceroy to allay discontent, 2263–2267——Notice was given once a year, as a matter of form, that the opium ships should be removed, 2269–2271——The Chinese merchants engaged in the opium trade disappeared before the arrival of Lin, 2272–2274——The Chinese had no right to search British vessels at Lintin or on the coast; it would have been an act of hostile aggression, 2275–2287——If the ships had not been considered under the protection of the British authorities they would have been sent away, 2294–2300——The opium ships seldom anchored between Lintin and the main land, but on the outside of the island, 2302–2305——They could have defended themselves against any Chinese force, 2306–2308.

The trade has been diminished one-third by Lin's measures; it is carried on along the coast with the connivance of the local authorities, 2309–2315——If Captain Elliot had desired the merchants to discontinue the Lintin trade they would have complied, and would have given the same assistance as in the case of the river trade, 2316–2321——Without any circumstances of danger witness would have obeyed Captain Elliot's requisition to give up the opium, on payment, 2322–2334. 2339–2344——He always said that he had powers and instructions which he was not at liberty to communicate, 2335——The supercargoes of the East India Company would have had the power, and the Company would have been responsble, 2336–2338.

The lives of the foreigners were not in danger; Captain Elliot was the most likely to lose his life, 2345, 2346——If Captain Elliot had sent the opium ships away, a long negotiation would have ensued, which would have ended in a compromise, 2347–2356. 2371–2374——The Portuguese sent away their opium from Macao, 2357–2363——It was understood that the 1,035 chests of opium were to be paid for, 2364–2370——The community were entirely in the power of the Chinese, 2375–2378——The merchants would have been united, and would have made a better bargain if they had been left to manage for themselves, 2379–2386——Discretion vested in witness by his partners, 2389–2399——Reason for fixing only the cost price of the opium as the demand for compensation, 2400–2402——Frequent letters received by witness from Canton while the communication was stopped, 2403–2410.

Most of the residents in Canton had not been there long; some who signed the memorial were not able to form a correct opinion as to the danger, 2411–2427——In May, when the memorial was signed, their sense of the danger they had escaped was greater than in March, 2428–2433——The majority of the Parsees who signed it never read it, 2434, 2435——The petty mandarins along the coast are conniving at the opium trade, 2436–2444——More persons are engaged in the trade, who make small purchases, 2445–2447——Opium has been sold for 900 dollars a chest, 2448–2449——The natives fetch it from the ships; it is paid for before it goes over the ship's side, 2450–2452.

Matheson, Mr. It was said that he would be the next merchant sent for after Mr. Dent, in order to force his opium from him, and to make him sign bonds, *Inglis* 281——Was not consulted by Captain Elliot, *Matheson* 2122–2130.

See also *Dent,* Mr. *Expulsion of Foreigners.*

Medhurst, Mr. His voyage in the Huron for the dissemination of Christian tracts in the Chinese language; opposition encountered by him, *Jardine* 1503–1513.

Melvill, J. C. Evidence before Committee on East India Affairs in 1830, as to the opium trade and the general trade of China; remittances, export of bullion, &c., *App. p.* 160.

Memorial (The) *to Lord Palmerston.* It was prepared by Mr. Braine; many of the parties who signed it were not able to form a correct opinion as to their danger; they had not long

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Memorial (The) *to Lord Palmerston*—continued.

been in China, *Matheson* 2411–2427——In May, when the memorial was signed, their sense of the danger they had escaped was greater than it had been in March; many of the Parsees who signed it had never read it, *Matheson* 2428–2435.

See also *Duress of the Foreign Community.*

Mill, James. Extracts from his evidence before the Committee on East India Affairs, 1832, on the opium trade, *App. p.* 168.

Missionaries. See *Foreign Community.*

Mobs in China. Conduct of the Chinese mob; their excitement and curiosity when witness was conducted through the streets; they exulted at the sight of a foreigner who seemed to be humbled, *Inglis* 85–120——In ordinary times, a British merchant in the streets of Canton would be liable to crowding; Captain Elliot was knocked down in full uniform, *Inglis* 121–123——Witness did not apprehend his life to be in danger while under confinement, although the Chinese might have let the mob in upon the factory, *Thacker* 842–851——The irruption of the mob, which had come down from the country, and were in the neighbourhood, was apprehended more than any other danger, *Daniell* 1235——The commissioner hinted, in his edict, the possibility of the mob breaking in upon them, *Daniell* 1259——They did not care about the opium trade, *Matheson* 2206.

See also *Execution,* The.

Morss, Mr. Reasons for believing that the cruelty exercised against him was sanctioned at least by Commissioner Lin; pirates do sometimes assume the dress of mandarins, *Inglis* 574–583.

Mowqua. Was the Hong merchant upon whose ability the foreigners chiefly relied to interpret the intentions of the Chinese government; he is since dead, *Matheson* 2207–2215.

N.

Napier, Lord. In his time the community were imprisoned, and his Lordship's provisions were taken away; he brought a force up as far as Whampoa, where he was stopped by sunk vessels, *Jardine* 1385–1390——A pass was at length obtained for him by a surgeon and witness on the ground of ill-health, *Jardine* 1391.

See also *Servants.*

O.

Oliphant & Co. See *Foreign Community.*

Opium Scrip. See *Certificates.*

Opium Trade with China:

1. *Fluctuations therein.*
2. *Interruptions to the Trade.*
3. *Mode of conducting the Trade.*
4. *Its Notoriety.*
5. *Its Popularity with the Chinese people.*
6. *Its Legality.*
7. *Moral Objections to it.*
8. *Trade carried on since the Surrender of the Opium by Captain Elliot.*

1. *Fluctuations therein:*

The opium trade has always been liable to great fluctuations; it has changed hands between rich Baboos, Jews, and European merchants, *Inglis* 393–395——European houses at Calcutta have been very little engaged in it until lately, *Inglis* 396–398——Until very lately, nearly all persons engaged in the opium trade have lost by it; an American gentleman made a large fortune; extraordinary fluctuation of prices and uncertainty of the trade, *Inglis* 515–536——Fluctuations in price; frequent losses sustained; the fluctuations are caused partly by the supply and demand, and partly by the proceedings of the Chinese, *Jardine* 1493, 1494.

2. *Interruptions to the Trade:*

In 1821 there was an interruption of trade, and the ships were expelled from Whampoa; no opium was seized; the ships were prepared to resist a search, *Jardine* 1395–1404——Very few measures were taken for suppressing the opium trade before December 1838; now and then an opium broker had been seized, *Jardine* 1590–1592——In December 1838, witness began to think the Chinese were serious in their intentions to put down the trade, *Jardine* 1658–1662——At the beginning of 1839 there was a great stagnation of the trade on account of the edicts of the viceroy, *Daniell* 1092,

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OPIUM TRADE WITH CHINA—continued.

4. *Interruption to the Trade*—continued.

1092, 1093——The viceroy had taken severe measures on account of an imperial edict long before the commissioner's arrival, *Jardine* 1353–1356——His measures were so severe that a rebellion at Canton was apprehended, *Matheson* 2039——His measures had been extremely oppressive to Chinese merchants; he searched their houses; it was the general opinion that Lin would cause a relaxation, *Matheson* 2175–2178. 2263–2267.

3. *Mode of conducting the Trade:*

Mode of conducting the trade by giving orders at Canton on the ships at Lintin, where the opium was delivered before the ships entered the Bogue, *Inglis* 736–742—— It was the safest trade in China; the money was always paid before the order on the ships was given, *Jardine* 1431.

4. *Its Notoriety:*

Its notoriety; publication in the price currents of the quantities brought in different ships, and the names of the consignees, *Inglis* 645–656——Notoriety of the trade; publication of the names of the consignees in the weekly price currents, *Thacker* 1007–1012——The authorities in Canton knew every house engaged in the opium trade by name, *Jardine* 1423.

5. *Its Popularity with the Chinese People:*

The trade is generally popular with the Chinese people; they were much dissatisfied with the viceroy's proceedings for its suppression, *Matheson* 2178, 2179——The strong desire of the people for opium, and the interests of the provincial authorities, would prevent the exclusion of opium; a more effective marine force would not prevent it, *Matheson* 2187–2193.

6. *Its Legality:*

Sanction given to the trade by the British Parliament, and participation and profit of the East India Company, *Malcolmson* 1890. 1893. 1928——The opium trade is considered legal in India, although illegal in China; the opium was never shipped on board the East India Company's vessels; many do not know that the trade is illegal in China, *Cursetjee* 1982–2000. 2008, 2009——The opium is sent in private merchant ships even to Singapore and the Straits, *Cursetjee* 2001–2007——It was usual for the Chinese to give notice once a year, as a matter of form, that the opium ships should be removed, both during the time of the supercargoes, and of Captain Elliot, *Matheson* 2269–2271 ——Correspondence between the Court of Directors of the East India Company and the Governor-general of India, on the opium trade, and the revenue arising therefrom, *App. p.* 161——Form of the East India Company's license to country ships trading between Calcutta and Canton, as settled 1820, *App. p.* 176——Form of license granted at Bombay in 1821, *App. p.* 177.

7. *Moral Objections to it:*

Moral objections of Mr. King, Mr. Matheson and Mr. Robertson, to engage in the trade; countenance given to the trade by the East India Company, and by Parliament, *Jardine* 1495–1502.

8. *Trade carried on since the surrender of Opium by Captain Elliot:*

The trade is still continuing; the Chinese Government has taken no measures to put down the internal consumption, *Inglis* 766–769——There has been a considerable trade since the surrender, *Daniel* 1315——The trade has existed for some months within the Bocca Tigris; the opium is brought up in boats to Whampoa, *Jardine* 1370——The fall in the price caused new parties to engage in the trade; the trade has been going on briskly along the coast, but has been conducted by a lower class of men, *Jardine* 1799–1801, 1803–1806——Nearly all persons engaged in the trade at Bombay were unable to continue it, and it fell into new hands, *Matheson* 2153, 2154.

Very little opium has been exported from Bombay since the opium crisis, although much is lying there; that consumed in China has gone from Calcutta, *Malcolmson* 1856–1863——The trade has been diminished one-third by Lin's measures; it is still carried on along the coast with the connivance of the local authorities, *Matheson* 2309–2315——More persons are engaged in the trade now who make smaller purchases; the natives fetch the opium from the ships; it is paid for before it goes over the ship's side, *Matheson* 2445–2452.

See also *Bombay Merchants. Calcutta Sales of Opium. Connivance of Authorities. Consumption of Opium. East India Company. Growth of Opium. Insurance. Legalization of the Opium Trade. Lintin. Prices of Opium. Viceroy of Canton. Yuen,* Governor.

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Orders in Council. Copy of the Order in Council, establishing regulations for the government of King's subjects at Canton, dated 9th December 1833, *App. p.* 180——Orders in Council, 3d and 4th April 1840, as to reparation for the late injurious proceedings of the Chinese Government, *App. p.* 181, 182.

P.

Palmerston, Lord. Captain Elliot did not communicate his Lordship's instructions, which stated that any loss which might be suffered from the execution of Chinese law, against smuggling, must be borne by the parties; but seemed to apply them to smuggling within the river, *Inglis* 478–481——Captain Elliot did not publish the words of Lord Palmerston, but gave a notice that Government could not sanction the smuggling trade within the Bogue, *Inglis* 743–747——Reasons assigned by witness's firm for not signing the address to Lord Palmerston, *Jardine* 1813–1816.
See also *Instructions. Powers of Captain Elliot.*

Parsee Merchants. The Parsees have not the means of referring immediately to our laws, but trust execution of them to Government; they are increasing in education, wealth and influence, *Malcolmson* 1880–1882——Are the principal merchants at Bombay, *Cursetjee* 1980, 1981——The principal loss will fall upon them, *Matheson* 2146–2149.
See also *Bombay Merchants. Suicides.*

Pass System. The uncertainty as to the opium crops has always been very great, but has increased since the adoption of the pass system, *Inglis* 534–536.

Patna Opium. Statement of purchases of Patna opium made by Jardine, Matheson & Co. in Canton, from August to November 1838, *App. p* 186.
See also *Consumption of Opium. Growth of Opium. Prices of Opium.*

Penal Bonds. Had Mr. Dent gone into the city, they would have made him sign penal bonds, for which they would have rewarded him, as an inducement for others to do the same, *Inglis* 68, 69——It was the intention of the Chinese to get the merchants one after another into their power, and to make them give up the opium, and sign bonds; Mr. Matheson would have been sent for after Mr. Dent, *Inglis* 243–248. 279–281——No mention had been made of bonds when Mr. Dent was sent for; Captain Elliot could have known nothing of them, *Inglis* 288–290——Impossibility of trading in conformity with the bond proposed by Lin; few Englishmen would have remained in Canton subject to its conditions, *Inglis* 620——These bonds formed part of his original intention in coming from Pekin; they would have created as much difficulty as the delivery of the opium, *Inglis* 639–644.

Portuguese. The Portuguese had opium at Macao, which they sent away; they did not surrender a chest to the Chinese, although the demand was made, *Matheson* 2054——It was afterwards sold, at a very large profit, on the east coast of China, *Matheson* 2059–2061——Nearly all their opium was on shore at Macao; about one-third in their warehouses; there were some Portuguese at Canton; the Chinese jurisdiction extends to Macao, *Matheson* 2357–2363.

Powers of Captain Elliot:

1. *Generally.*
2. *Specifically, as regards his Engagement for Indemnity.*

1. *Generally:*

Ignorance of the merchants as to the extent of Captain Elliot's authority; it had been discussed in the newspapers; Mr. Keating's demand that the instructions should be published, *Inglis* 187-196——The Orders in Council and part of the instructions had been published, and his powers had been canvassed; Captain Elliot stated that he had published as much as he felt himself authorised to publish, *Inglis* 414–418——Captain Elliot had stated that he had no power to see the property of a deceased merchant properly administered, which a consul would have been called upon to do, *Inglis* 453, 454——He always represented that he had powers and instructions, which he was not at liberty to communicate, *Matheson* 2335——Extracts from Acts of Parliament, as to the powers of the select committee of supracargoes at Canton, and of the British superintendents, and other papers relating thereto, *App. p.* 173, *et seq.*

2. *Specifically, as regards his Engagement for Indemnity:*

Captain Elliot's statements to witness, Mr. Dent, and Mr. Braine, that he was quite certain he had authority to engage for indemnity for the opium; he appeared to feel no hesitation about it, *Inglis* 150–168——No one doubted but that the representative of the Crown had authority to demand the delivery of the opium, and to enter into an engagement for indemnity, *Thacker* 1057–1072——The community believed that he would not have called upon them to surrender their property without having full powers under his instructions, *Daniell* 1179-1186——The people at Bombay understood that Captain Elliot had been acting by authority of his Government, *Cursetjee* 1969–1972.
See also *Indemnity. Instructions of Captain Elliot. Surrender of the Opium.*

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PRICES OF OPIUM:

1. *Average Prices generally.*
2. *Price previous to the Surrender of the Opium to Captain Elliot.*
3. *Prices since the Surrender.*

1. *Average Prices generally:*

Average prices of opium; great fluctuations therein; causes thereof, *Inglis* 488–536.

2. *Price previous to the Surrender of the Opium to Captain Elliot:*

Five hundred dollars a chest was agreed to be about the average price of opium at Canton at the time of the surrender, *Inglis* 401–405——Price of Malwa opium the chest at Bombay, February 1839, *Thacker* 784, 785——Exact statement of the cost of witness's opium until it was delivered to Captain Elliot, *Thacker* 868–870——When it arrived at Canton it was not saleable, as the trade had been stopped by the viceroy, in anticipation of the commissioner's arrival, *Thacker* 880–888.

Cost per chest of the Patna, Benares, and Malwa opium; weight of chests, *Daniel* 1200–1205——Prices of Malwa and Patna opium in China, from 18th July to 25th November 1838, *Daniell* 1294–1298——Average cost of Malwa and Bengal opium; actual cost of that surrendered by witness's house, *Jardine* 1344–1352.

Statement of the quantities of Malwa and Patna opium purchased by Jardine & Co. in Canton, and the price per chest, from July to November 1838, *App. p.* 186——Great fall in price at Bombay on receiving the intelligence from China; some was sold at 300 rupees a chest, *Matheson*, 2155, 2156.

3. *Prices since the Surrender.*

The prices have been very high in China since the surrender, and large fortunes are being made, *Inglis* 365–371——Rich speculators derived the profit arising from the high prices, and not the small merchants who had sustained losses by the surrender, *Inglis* 385–392——Opium has been sold along the coast for 900 dollars a chest, *Matheson* 2448, 2449.

R.

Receiving Ships. The ships at Lintin generally had nothing but opium on board; they could always go to sea at a short notice, *Daniell* 1214–1221.

See also *Lintin.*

Refinement of Opium. It is refined in China for smoking; it can neither be refined nor smoked without being detected by the smell, *Jardine* 1703–1709——The Chinese prefer refining it themselves, *Jardine* 1726–1729.

Remittances. Were generally made to Canton as advances on opium and cotton; the difficulty of investing the whole in this manner has often induced merchants to become importers, *Inglis* 399–400.

Remonstrance. Witness recollects no remonstrance of the merchants against Captain Elliot's requisition for the surrender of the opium, *Inglis* 180–182——Witness heard of no remonstrance against Captain Elliot's requisition, *Thacker* 898–905; *Daniell* 1211–1213.

Revenue (British India.) Extracts from Parliamentary Papers and Evidence as to the connexion of the trade in opium between India and China with the revenue administration of British India, and the part taken by the East India Company and its officers therein, *App. p.* 157——Extract from Report of Committee (revenue), 16th August 1832, stating that it is unadvisable to abandon so important a source of revenue as that on opium, *App. p.* 166——Extracts from letters in reply to a circular letter from the Commissioners for the Affairs of India, on the revenue administration of British India, relating to the opium monopoly and trade, *App. p.* 169.

Robberies on the Canton River. All the European boats carry arms to protect themselves from robbers or Ladrones; it is not safe to go without them, *Jardine* 1555–1557.

S.

Sales of Opium. See *Calcutta Sales.*

Scrip. See *Certificates.*

Search of Vessels. Every vessel might have been searched within the Bogue; there would have been no danger of bloodshed, *Jardine* 1663–1667.

Servants. The servants were taken away from the foreign community in Lord Napier's time, *Inglis* 594; *Daniell* 1145–1149——It is not the custom to bring servants to China; the withdrawal of the native servants therefore puts the community to the greatest inconvenience, *Inglis* 600–608——The servants were ordered to leave within half an hour after Captain Elliot's arrival, some had already left, *Daniell* 1111–1113.

See also *Duress of the Foreign Community.*

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Smoking Divans. The police have a list of them; the owners are warned to be out of the way; respectable people who meet there, *Jardine* 1710–1712.

Smoking Opium. The opium pipe is as common in Fokein as the tobacco-pipe at Canton, *Jardine* 1674, 1675——In moderation it is not injurious; spirits are more dangerous to morality and health; case of witness's compadore who had charge of the cash, and smoked for thirty or forty years, *Jardine* 1690–1702. 1713–1716——There is more dram-drinking in England than opium smoking in China, *Jardine* 1718–1725.

Smuggling. It is not justifiable to seize persons on account of the general notoriety of their smuggling; they must be caught in the fact, or there must be grounds for a specific charge, *Thacker* 1015–1023——The Chinese might limit smuggling on the coast very much if they pleased, although they would have to contend with many difficulties, *Jardine* 1676–1689——If Captain Elliot had desired the merchants to discontinue the Lintin trade, they would have complied, and would have given the same assistance as in the case of the river trade, *Matheson* 2316–2321.

Smuggling Trade in the Canton River. Accuracy of Captain Elliot's statement, that the number of European boats had "vastly increased," and that conflicts were frequent disputed, *Jardine* 1571–1578.

Specie. Shipment of specie instead of native bills to Calcutta from Bombay since the opium crisis, *Malcolmson* 1849.

Stark, Hugh. Extracts from Evidence before the Committee on East India Affairs in 1832, on the cultivation of opium in India, and the revenue derived therefrom by the East India Company, *App. p.* 167.

Suicides at Bombay. Two parties interested in the opium trade have committed suicide on account of the disappointment as to the payment of the indemnity, *Malcolmson* 1883, 1884——Danger of further suicides; men of high spirit and ancient family cannot bear the disgrace of insolvency, *Malcolmson* 1902——A friend of witness's committed suicide on account of disappointment in the opium trade; he was a proud man, and his creditor demanded his money sharply, *Cursetjee* 1949–1954. 2018–2020——The two persons who committed suicide did so shortly after the receipt of Mr. Gordon's letter in Bombay, *Matheson* 2150–2152——All persons engaged in the trade will feel the disgrace of failing in their engagements very deeply, *Cursetjee* 2021, 2022.

Supercargoes of the East India Company. If the monopoly of the East India Company had continued, and their supercargoes had been at Canton, the surrender of the opium would not have taken place; they would have fought the battle better, *Inglis* 540–543——They would have had power to make the same requisition for the surrender of the opium as Captain Elliot, and the Company would have been responsible for the indemnity, *Matheson* 2336–2338——Extracts from various Acts of Parliament, as to the powers of the select committee of supracargoes at Canton, and of the British superintendents, *App. p.* 173.

SURRENDER OF THE OPIUM:

I. *To the Chinese before Captain Elliot's Arrival.*

II. *To Captain Elliot upon his Requisition:*

1. Prompt Obedience of Merchants to Captain Elliot's Requisition; Reliance upon his Pledge of Payment.

2. Deficiency discovered in the Number of Chests after the Account had been given in; how caused and supplied.

I *To the Chinese before Captain Elliot's Arrival:*

The edict of the commissioner required all the opium to be delivered in three days; time asked by the Chamber of Commerce to consider the demand, *Inglis* 19, 20——Subscription of 1,030 chests amongst the merchants, who were moved by compassion for the Hong merchants, who said their lives would be taken; folly of compliance, *Inglis* 23——Conferences with the Hong merchants, and meeting of the Chamber of Commerce; resolution to give up 1,030 chests, to save the lives of two Hong merchants, *Daniell* 1106–1109——Belief that the Chinese would not have proceeded to extremities in forcing the surrender of the opium, *Thacker* 893–897——The foreign community expected that Lin's demand for the opium would be got over by some arrangement, *Daniell* 1096–1100——When the 1,000 chests were offered, it was expected that the commissioner would be brought to terms, *Daniell* 1241–1253——At first Captain Elliot expressed himself sorry that the 1,000 chests had been offered, and was understood to say that none should be given up, *Daniell* 1222–1225.

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SURRENDER OF THE OPIUM—continued.

II. *To Captain Elliot upon his Requisition:*

1. Prompt Obedience of Merchants to Captain Elliot's Requisition; their reliance upon his Pledge of Payment:

On the Tuesday after his arrival, Captain Elliot stated his intention of demanding all the opium to be given up, and of engaging to indemnify the owners; he said he was justified by his powers; his communications with Mr. Braine, Mr. Dent, and witness on the subject, *Inglis* 150–168——The community were not aware of Captain Elliot's intentions until the requisition appeared, *Daniell* 1155–1158——The merchants were much surprised at Captain Elliot's requisition, but did not hesitate to comply with it, *Daniell* 1194–1199—— Captain Elliot's order met with the general concurrence of the holders of opium, as they felt that they would otherwise have to give it up to the Chinese, *Inglis* 169–177.

The surrender was made, relying upon being paid the stipulated indemnity; pecuniary liability of agents who should have declined to accept the terms offered, *Inglis* 197–204——Captain Elliot's notice came out on the 27th; witness's letter surrendering the opium over which he had control for the service of Her Majesty's Government, *Thacker* 828–834——He would not have surrendered it without a promise of payment, *Thacker* 838-841——No one made any objection to giving up his opium, *Thacker* 865–867.

If the East India Company had made a similar demand to that of Captain Elliot, witness would have obeyed it, as they would have been responsible in a court of law, *Jardine* 1483, 1484——Witness's firm conceived themselves bound to obey Captain Elliot, to use perfect good faith to the British Government in giving up all the opium over which they had control, *Matheson* 2082–2090——Without any circumstances of danger witness would have obeyed Captain Elliot's requisition to give up the opium, on payment, *Matheson* 2322–2334. 2339–2344.

All the opium belonged to British subjects; the Americans who had any of it surrendered it as British property, *Inglis* 425–436——If Captain Elliot had proposed to surrender 10,000 or 20,000 chests on receiving the value, Lin would not have accepted such terms, *Inglis* 217–221.

2. Deficiency discovered in the Number of Chests after the Account had been given in; how caused and supplied:

After Captain Elliot's order and much negotiation with the Chinese government, each merchant communicated to Captain Elliot the amount of opium in his possession, *Inglis* 306–312——Causes of a deficiency being found in the number of chests, an account of which had been given to Captain Elliot; how supplied by Dent & Co., *Inglis* 332–342——Much opium was delivered to Captain Elliot which had been previously sold, *Jardine* 1469–1472——Much opium was surrendered which was on the coast, not even at Lintin, but beyond all doubt out of the reach of the Chinese, *Jardine* 1817–1831——Although Captain Elliot was told that part of the opium of which an account was given Lin might have been sold since the last advices, he made no deduction in his return to the commissioner, and was afterwards obliged to purchase more to supply the deficiency, *Jardine* 1819. 1836–1841——Witness's firm gave up to Captain Elliot opium in ships out at sea far beyond Chinese jurisdiction, *Matheson* 2049–2053——Some opium belonging to witness's house had been sold after the return given in to Captain Elliot, and was made good, *Matheson* 2062–2068.

See also *Certificates of Surrender. Compensation from the Chinese. Dent & Co. Indemnity. Powers of Captain Elliot. Prices of Opium, &c.*

Sysee Silver. The edicts of the viceroy against the opium trade were caused by the export of Sysee treasure, *Daniell* 1094——The discovery that bullion was leaving the country induced the emperor to act upon a different principle than that which he had hitherto adopted, *Jardine* 1457——The export of Sysee silver was recognised by the chief supercargo of the East India Company, *Jardine* 1476–1479——The export of Sysee silver has in some years considerably overbalanced the importation of dollars into China, *Report 8th July* 1830; *App. p.* 157.

T.

Tariff of China. The merchants have never been able to obtain a copy of the Chinese tariff; additional charges are put on in Canton by the merchants and by the authorities without the sanction of the emperor. *Matheson,* 2256–2262.

Teas. Captain Elliot's expressions adverted to when he stated that there would be little time for shipping teas after the surrender of the opium. *Thacker,* 852–860.

Thacker, Captain *John.* (Analysis of his Evidence.)—Invested money in opium at Bombay to take to China, 780-783——Price of Malwa opium the chest, 784, 785——It was surrendered by Captain Elliot to the commissioner, 786——There was no opium in

Thacker, Captain *John.* (Analysis of his Evidence)—*continued.*

Canton at the time of Captain Elliot's arrival, 787–790——Before his arrival, witness had given up his opium to Mr. Johnston, 793——The community expected that the commissioner was coming to remove obstructions to the trade, until they observed he Chinese servants removing their things from the factory, 794–798——It was the unanimous opinion of the merchants (with the exception of Mr. Inglis) that Mr. Dent should not go into the city, 799–804——Witness had placed his opium in the custody of Mr. Johnston for safety; correspondence relative thereto, 805–821.

Captain Elliot's communication on his arrival, 822–825——He said nothing of the surrender of the opium, 826, 827——His notice came out on the 27th; witness's letter on surrendering his opium, 828–834——The servants had not left, and the provisions were not stopped till after Captain Elliot's arrival, 835–837——Witness would not have surrendered his opium except upon a promise of payment, 838–841——He did not apprehend his life to be in danger, although the Chinese might have let the mob in upon the factory, 842–851——Captain Elliot's expressions adverted to when he stated that there would be little time for shipping teas after the surrender of the opium, 852–860——He held out to witness a positive expectation of payment as soon as he arrived in England, 863, 864——No one made any objection to giving up his opium, 865–867.

[Second Examination.]—Exact statement of the cost of witness's opium until it was delivered to Captain Elliot, 868–870——General rate of insurance for opium and other goods lying at sea in China, 871–879——When witness's opium reached Canton it was not saleable, as the trade had been stopped by the viceroy in anticipation of the governor's arrival, 880–888——Witness, on his way to China, anticipating troubles, sold part of his opium at Singapore for 450 dollars a chest, 889–892——He believes the Chinese would not have proceeded to extremities in forcing the surrender of the opium, 893–897——Witness heard of no remonstrance against Captain Elliot's requisition, 898–905——Perfect reliance upon Captain Elliot's engagement to pay, illustrated, 906–916——Witness had a strong apprehension that he might be obliged to surrender his opium to the Chinese when he gave it in charge to Mr. Johnston, 917–937——The superintendent had a right to protect British subjects at Canton from having their property in the outer seas extorted from them by violence, 938–946. 962–977. 981–990.

Witness was preparing to barter his opium for beetle-nut and pepper at the Malay Islands, 947–961——The Chinese would have had a right to seize the opium if they had been able, but had no right to touch the persons of parties not proved to be engaged in smuggling transactions, 992–1000——How far the merchants at Canton could have been proved to be taking part in the opium trade, 1001–1006——Notoriety of the transactions of the trade; publication of the names of the consignees of opium ships in the weekly price-currents, 1007–1012.

Everybody was imprisoned, and it may be thence inferred that the proof of dealing in opium had nothing to do with their confinement, 1013, 1014——It is not justifiable to seize persons on account of the general notoriety of their smuggling; they must be caught in the fact, or there must be grounds for a specific charge, 1015, 1023——If the Chinese had attempted to seize the opium in the ships, they would have been resisted, 1024–1031——Object of preparing for the defence of the ships, 1032–1037——Declaration of Captain Elliot, that the Chinese should not have a single chest of opium, three days before the proposal was made for surrendering it, 1038–1047.

It was the unanimous opinion, not only of the partners in firms engaged in the opium trade, but also of the foreigners generally, that Mr. Dent should not go into the city, 1050–1056——No one doubted but that the representative of the Crown had authority to make the demand for the delivery of the opium, and to enter into an engagement for indemnity, 1057–1072——Witness under such circumstances preferred delivering his opium to Captain Elliott, to the uncertainty of disposing of it in any other way, after the offer of indemnity had been made, 1073–1083.

Thom, Mr. Was invited, with Mr. Fearon, to go into the city on the Monday, but they were prevented by Captain Elliot, *Inglis* 149.

Turkey Opium. Quantity consumed in China; it has been chiefly imported by Americans; it is sometimes chewed, *Jardine* 1730–1733.

Turner, Mr. See *Dent,* Mr.

V.

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Viceroy of Canton. His boats carried on the smuggling trade between Lintin and Canton for 18 months till near the time of Lin's arrival, *Jardine* 1517–1534——His boats were gradually put down, and inferior mandarins carried on the trade, *Jardine* 1549–1552——Notoriety of the fact of the viceroy's boats being used; he is said to have made 13,000 taels on each boat per month, part of which went as presents to the imperial treasury, *Jardine* 1579–1589.

See also *Connivance of Authorities. Opium Trade.*

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Report, 1840—*continued.*

Violence. Captain Elliot and the merchants thought Commissioner Lin was prepared to go any lengths, and this opinion has been confirmed by experience; they dreaded violence, *Inglis* 270–278——The younger residents were most alarmed, but, as it appears, justly, *Inglis* 291–297——From what has since occurred, it seems that they were in real danger and jeopardy, *Daniell* 1277–1293——Witness never saw violence used by the Chinese government towards Europeans, but occasionally by the mob, or by a soldier on duty, *Jardine* 1358, 1359——There was no danger to life or property when Lin's edict was issued; if there had been more resistance his measures would have been less severe, *Jardine* 1360–1362——The lives of the foreigners were not in danger; Captain Elliot was the most likely to lose his life, *Matheson* 2345, 2346.

See also *Duress of the Foreign Community.*

W.

Water. The foreigners had springs within the factory, but the water was not good, and they usually supplied themselves from a spring outside; from this they were cut off, *Inglis* 282–286——The supply of water was cut off, but most of the residents had sufficient in their houses for immediate use, *Daniell* 1123–1137——The water in the factory wells was not wholesome, but was used merely for washing, *Daniell* 1143, 1144.

Y.

Yuen, Governor. He had desisted from measures for the suppression of the opium trade when the East India Company were preparing to co-operate with him; his retirement from the council in 1838 was supposed to be the signal for violence against foreigners, *Inglis* 688, 689——When he ordered the vessels away from Whampoa, the Hong merchants stated that the trade might still be carried on quietly, *Jardine* 1593–1595.